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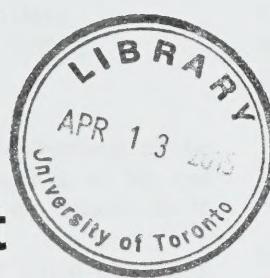
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Official Report of Debates (Hansard)

Tuesday 31 March 2015



Assemblée législative de l'Ontario

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Journal des débats (Hansard)

Mardi 31 mars 2015

Standing Committee on Social Policy

Ontario Retirement Pension
Plan Act, 2015

Comité permanent de la politique sociale

Loi de 2015 sur le Régime
de retraite de la province
de l'Ontario

Chair: Peter Tabuns
Clerk: Valerie Quioc Lim

Président : Peter Tabuns
Greffière : Valerie Quioc Lim

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Tuesday 31 March 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Mardi 31 mars 2015

*The committee met at 1600 in committee room 1.*ONTARIO RETIREMENT PENSION
PLAN ACT, 2015
LOI DE 2015 SUR LE RÉGIME
DE RETRAITE DE LA PROVINCE
DE L'ONTARIO

Consideration of the following bill:

Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan / Projet de loi 56, Loi exigeant l'établissement du Régime de retraite de la province de l'Ontario.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. We're here to resume public hearings on Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan. Please note that our last witness for today is at 5 p.m. No further witnesses have been scheduled after that. Copies of additional written submissions have been distributed to the committee.

RETAIL COUNCIL OF CANADA

The Chair (Mr. Peter Tabuns): Our first presenter is the Retail Council of Canada. As I will say to other presenters, you have five minutes to speak; there will be nine minutes of questions rotated amongst the parties. I will give you notice at about one minute that you've got 60 seconds left. If you'd introduce yourself for Hansard, please proceed, sir.

Mr. Gary Rygus: Thank you very much. Good afternoon. My name is Gary Rygus. I'm the director of government relations for the Retail Council of Canada. On behalf of RCC's members operating across the province of Ontario, thank you for the opportunity to appear before the committee today.

The Retail Council of Canada has been the voice of retail since 1963, and we have members who operate more than 45,000 storefronts nationally, 17,000 of which are in Ontario. Our members represent all retail formats: department, grocery, specialty, discount, independent stores and online merchants. While we do represent large mass-merchandise retailers, a significant number of our members are small, independent merchants.

As an employer, retail is number one in Ontario, with more than 839,000 jobs generating over \$176 billion in retail sales. Retailers invested over \$3 billion in capital

expenditures in Ontario in 2014 and will continue to invest in the province as long as the conditions for operating remain attractive and retailers can be competitive with retail sources in other jurisdictions.

With a payroll of \$20 billion annually, retailers will be looking at an annual ORPP premium greater than \$300 million before any offsets for existing workplace pension and savings programs. Our employees would bear an additional \$300-million cost in a 50-50 shared program, which will be burdensome to them and will also create corresponding wage pressures as employees adjust to the reduction of their disposable incomes.

Members of the retail council are concerned about the implications of the ORPP, especially as defined in the December consultation document. Retailers understand the need for all Ontarians to build an adequate nest egg for retirement. The level of retirees' incomes affects the overall economy and, of course, determines people's abilities to buy goods from our members. The challenge will be to balance the importance of long-term pension income adequacy against the near-term impact on growth, jobs and investment.

There is a limit to the payroll contributions that retail businesses in this province can be expected to pay without there being an adverse economic impact. We have a substantial employer health tax, the second-highest WSIB rates in Canada, and now we are looking at a new provincial retirement pension plan. While individually, these obligations may support worthwhile policy instruments, government must look at the cumulative impact of these payroll costs to ensure that they do not diminish our capacity to hire more Ontarians and to make key investments.

If the government intends to proceed with the ORPP, we believe it imperative that the plan be properly targeted with a minimum earnings threshold far higher than the current \$3,500 level under the CPP, which has been frozen since 1996. Even applying CPI to the \$3,500 amount would render today's value at \$5,000. But even at that level, we question whether a higher threshold would not better target the ORPP to the middle-income group, who are least well served by the current mix of public pensions.

Retailers also want to avoid the establishment of barriers to job creation, particularly for students, younger workers, retirees and others who might be lacking in experience and for whom a retail position may be the primary opportunity to enter the workforce.

We believe that a cumulative experience and/or earnings threshold could support both employment and pension adequacy goals, given that many of our workers are students or youth under age 25 who still have a 40-plus-year work horizon ahead of them.

Lastly, we would hope for sufficient flexibility to substitute existing workplace pensions and savings where they are more generous for employees than the benefits proposed under the ORPP.

The Chair (Mr. Peter Tabuns): You have one minute left.

Mr. Gary Rygus: RCC and its retail members understand that the government has received a mandate on a platform which included implementation of the ORPP. That said, the retail industry maintains that the implementation details will be critical for the plan to achieve its stated objectives.

On behalf of the Retail Council of Canada, I thank you for your time.

The Chair (Mr. Peter Tabuns): Thank you, sir. The first questions will go to the official opposition. Ms. Munro.

Mrs. Julia Munro: Thank you very much for coming here today to present your position on this. I have a question. As I understand, the different groups that you represent—some would be quite large employers down to rather small businesses. Is that correct?

Mr. Gary Rygus: That is correct.

Mrs. Julia Munro: I'm wondering if, in looking at this proposal, you've considered how much it would cost for somebody with five, 10, maybe 15 employees where they don't have specialists and just do the administration at the store level. Does that figure into being a burden for small retailers?

Mr. Gary Rygus: That's a very good question. I would suggest that small retailers will not have a pension offering in the current environment, so this ORPP introduction will be a direct imposition of additional costs to their operation.

When we talk to the small retailers in Ontario, they ask, "What are you going to do to offset the additional costs?" They know what they're going to do. When they talk to us, they talk about increasing, for example, the employer health tax threshold exemption from the current \$450,000 to \$1 million to try and address some of that, and perhaps even reducing the corporate income tax level for small businesses. So yes, it's going to be a burden on them, but it will all be different, and they're trying to recoup what they can, hopefully in tax reductions.

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Gary Rygus: But at the end of the day, labour costs are all about what they want to control and need to control. If they can't manage it accordingly, they're going to reduce the number of people that they're currently going to offer employment to or reduce the hours at a minimum.

Mrs. Julia Munro: Thank you.

Mrs. Gila Martow: I'll just comment quickly that basically we're hearing a lot of deputations, and people are saying that it shouldn't cost the employees, it shouldn't cost the employers, and it shouldn't cost the taxpayers. Today we heard the announcement that the government is running a \$10.9-billion deficit. This is unprecedented, and it's really on the backs of many of your members, the small business owners. Thank you for coming in today.

Mr. Gary Rygus: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. To the third party: Ms. French.

Ms. Jennifer K. French: Thank you very much for coming to speak to us today at Queen's Park. We appreciate hearing from all different industries and perspectives. I appreciate your submission. As you've said here, the challenge will be to balance the importance of long-term pension income adequacy against the nearer-term impact on growth, jobs and investment. We're hearing a lot about how now isn't the time, and we've heard a lot in committee about what that long-term pension income adequacy actually is and would look like.

Certainly you would be in a position to talk about your workforce and how that's comprised. Perhaps when we think of retail, we might think entry-level, or we might think youth and students, as you had said. But I would be curious to know what percentage of your workforce isn't entering the workforce but is perhaps re-entering the workforce.

Mr. Gary Rygus: Re-entering the workforce in terms of the end of a career?

Ms. Jennifer K. French: Yes, those who have retired or who would perhaps be in their retirement years re-entering the workforce in a different capacity, as opposed to having retirement security or an income stream like from a pension, who are relying on actual income and continuing to work.

Mr. Gary Rygus: I wouldn't have an exact number for that, but they are definitely a component within the labour force for retailers. We have the two extremes, if you will: the first-time entry into the workforce—and that's your experience piece—but also at the end of your work career, the desire to make additional funds for various reasons, whether it's because you need to top up whatever pension offering you have—

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Gary Rygus: —or it could be as simple as the sociability aspect of it: because you need to stay engaged to stay relevant.

Ms. Jennifer K. French: Fair point. Another piece is that we don't know exactly how this ORPP will roll out. We've heard things, and we've read things, but nothing has yet been set in stone. While we've got you, would you perhaps give any advice to the government about how to implement or how to roll this out and how it might affect your industry?

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Mr. Gary Rygus: That's another excellent question because I think the worst thing that we could do is rush to

market with a product that hasn't been well thought out and well articulated. To your point, there hasn't been a lot of discussion about implementation aspects to date. We do know that on January 1, 2017, the larger businesses in the province will have to implement the plans that are defined, but—

The Chair (Mr. Peter Tabuns): I'm sorry to say that your time is up with this questioner. We have to go to the government. Mr. Dhillon.

Mr. Vic Dhillon: Thank you for your presentation. As a government, we too would wish that the federal government would come to the table on this very important issue. It was our hope that the official opposition would back us up on that, but that's not the case. This is a really big and pressing issue which should have been dealt with, I believe, a long time ago.

You mentioned \$300 million as a burden to business, employees and employers. Would you not think that it would be a bigger burden for seniors who would have insufficient income when they retire? Wouldn't that be a bigger burden overall for our society and as a country?

Mr. Gary Rygus: Well, I think that number doesn't take into consideration how our members will mitigate that impact. Currently, the larger retailers, especially, offer defined contribution plans. Some of those savings are already in place, if you will—

Mr. Vic Dhillon: But they're not across the board.

Mr. Gary Rygus: No, they're not across the board, but—

Mr. Vic Dhillon: For example, a small to medium-sized business wouldn't have the capacity to offer that type of benefit.

Mr. Gary Rygus: Correct.

Mr. Vic Dhillon: So that theory wouldn't prove true.

Nonetheless, just speaking in terms of the Retail Council of Canada, from a business point of view, wouldn't it be a correct statement to say that in the future if people would have less of an income for when they retire, that would obviously mean a business effect for your members?

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Vic Dhillon: Wouldn't that be the case?

Mr. Gary Rygus: Definitely.

Mr. Vic Dhillon: Wouldn't it be in your best interest to support what we're doing?

Mr. Gary Rygus: Well, definitely, we're well aware that it's important for seniors to have adequate income because it's also going to have an impact on the retail sector. But our point would also be that it may not be the same priority across the workforce. For example, the younger workers, under 25, I would suggest have a higher priority at that time in their lives. They're trying to solidify their academic standing, and every piece of income that they're able to generate is going to be redirected towards paying for tuition and paying for food and shelter. An interesting article last month showed that the government of Canada wrote off \$300 million in student loans as a result of people not being able to afford

to pay back what they need to pay for tuition and achieving their education. I would argue to you that perhaps you would look at some sort of an age threshold as something that is not—

The Chair (Mr. Peter Tabuns): Thank you, sir. I'm sorry to say that your time is up.

Mr. Gary Rygus: Thank you very much.

UNIFOR

The Chair (Mr. Peter Tabuns): Our next presenter: Unifor. Good afternoon.

Ms. Katha Fortier: Good afternoon.

The Chair (Mr. Peter Tabuns): As you know, you have five minutes to present and nine minutes of questions. I'll give you warning when you're getting close to the end of your time. If you would introduce yourselves for Hansard.

Ms. Katha Fortier: Good afternoon. My name is Katha Fortier. I'm the Ontario director for Unifor. To my left is Jo-Ann Hannah, the director of our pension and benefits department; and to my right is David Leacock from our pension and benefits department.

We appreciate the opportunity to speak to the standing committee about Bill 56. Unifor is Canada's largest private sector union with 305,000 members in all sectors of the economy, including retail, but we also represent many public sector workers. We represent 158,000 members in Ontario.

We take pride in bargaining decent workplace pension plans for our members; however, our union is continually confronted with employers wanting out of their defined benefit pension plans. Last year, Unifor members at Bombardier in Thunder Bay went on a six-week strike to uphold a defined benefit pension plan for new hires.

Today, only 28% of private sector workers have pension plans. Only 12% of the workers have a defined benefit pension plan. The ORPP is a critical step towards addressing the inadequate pension coverage in the private sector.

Our president, Jerry Dias, has commended the Ontario government for moving forward on the ORPP when the federal government closed discussions with the provinces on enhanced CPP in December 2013. We also support Minister Hunter's plan to continue to promote enhanced CPP as the best retirement option for all Canadians, including Ontarians.

Some key points in Bill 56 that Unifor supports and certainly would not want to be deleted:

- first, of course, that the plan is mandatory;

- that contributions are shared between the employee and the employer;

- that they provide defined benefit pension plans with indexation; and

- that we include employees with annual earnings of \$3,500 or more.

We also appreciate that it's intended to include the self-employed and that it tracks CPP, although we would like to see greater adherence to the CPP so that the ORPP

could possibly eventually be merged into an enhanced CPP.

Unifor's key objection to Bill 56 is that employers with defined benefit pension plans or multi-employer pension plans would be exempt from the ORPP participation. Our reasons for opposing the exemptions are, first, that the CPP doesn't allow exemptions. It would be difficult for an Ontario plan with exemptions to be folded into an enhanced CPP in the future. Furthermore, we are concerned that if Ontario creates a plan with exemptions, it could become a model for any future CPP enhancement. That would be a step backwards for Canada's retirement income system.

We should not assume that employees with defined benefit plans or multi-employer pension plans have adequate pension benefits. Many of the members need the additional benefits of the ORPP.

Defined benefit plans are not always secure. Our members at Nortel and SKD saw their companies go bankrupt and the pension wound up with a shortfall. Plan members had to wait years for their final settlement, which was reduced to the funded status of the pension plan. Most workers will feel more secure if their pension is funded through the ORPP rather than relying wholly on their employer.

The exemptions will also lead to complications that are administratively difficult to implement. Furthermore, with the growth in precarious short-term employment, too many Ontarians will end up with a patchwork of ORPP and employer-sponsored benefits.

As a new social program, we believe it's critical that the ORPP deliver on the promised benefit—

The Chair (Mr. Peter Tabuns): You have one minute left.

Ms. Katha Fortier: —and show Ontarians and Canadians the merits of a collective program. Universality is essential to the success of the ORPP.

CPP works because it is a universal plan. There are 13.5 million contributors and 4.6 million beneficiaries. The contributions and benefit obligations are steady and relatively predictable. The plan has the economies of scale and diverse age groups to enable long-term investments and strong returns.

Ontario has the opportunity to create a universal pension plan that will benefit workers of Ontario, particularly the next generation of young workers. The ORPP could become the model and inspiration for all Canadians who want a secure pension. Unifor will continue to actively support an ORPP that models the CPP.

The Chair (Mr. Peter Tabuns): Thank you very much. The first question goes to the third party. Ms. French.

Ms. Jennifer K. French: Thank you, and welcome to Queen's Park. Thank you very much for coming. I appreciate the points that you've laid out here, and there was one—I'll direct your attention to where you talked about potential exemptions as threatened, or as promised, in Bill 56: "The exemptions will lead to complications and are administratively difficult to implement." I'll give

you a chance to maybe expand on that. What would be some of the challenges of exempting comparable plans?

Ms. Jo-Ann Hannah: Thank you for the question. We have bargained what we call a hybrid plan, which is part DB, part DC, with Ford, GM, Chrysler, Air Canada—well, Air Canada wouldn't be included in this, but with a number of employers. What happens to those employers where they have some of their workforce in a DC, some in a DB, and some of them will be changing from the DB to the DC as they move around within the corporation? That's one complexity that we see.

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The other real issue is that people are going to end up with a patchwork. Where they had a DB plan, supposedly, they don't have ORPP contributions, and then where they're in the DC, they do have the ORPP contributions. The lack of continuity is another complexity that we're concerned about.

Ms. Jennifer K. French: Okay, thank you. You had mentioned at the beginning that you've seen a trend that employers want out of a defined benefit plan. Your thoughts?

Ms. Jo-Ann Hannah: Certainly, in every set of collective bargaining that we go into these days, the employers are saying DB is on the decline. We use the example of Thunder Bay, where we had to go on a six-week strike—

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Jo-Ann Hannah: —in order to maintain that pension plan. It's very difficult to maintain defined benefit pension plans in the private sector.

Ms. Jennifer K. French: And why do you suppose that is?

Ms. Jo-Ann Hannah: I think part of it is a philosophical approach, that employers are saying, "We want out of DB." Employers have the power to get out of whatever they want to get out of. In fact, a lot of employers don't want to provide health care benefits or pension plans at all. So it is a time when employers have a good deal of power.

The other issue, which General Motors has made very clear to us, is that they don't want the liability on their books for a defined benefit pension plan, because there's a certain risk. When interest rates go down, their liabilities go up; that shows on their books. So they're saying, "We don't want to carry that liability."

But what they're doing is shifting it onto employees, who then have to go into DC plans and really don't have a clue about how to manage those plans and deal with all the risks in the market.

The Chair (Mr. Peter Tabuns): I'm afraid your time is up.

We'll go to the government. Mr. Anderson.

Mr. Granville Anderson: Thank you very much for coming, and thank you for the passion you show towards our pension plan.

I take it that most of your members, if not all, already have a pension plan, and I guess it would be probably

superior to what we're offering. But you have taken the time to come here, so you have shown concern for the 68% of Ontarians who don't have a pension plan.

I know you are advocating for a universal plan, which isn't on the books right now, a plan that would cover people who were self-employed etc. Could you please elaborate on why it's so important to you that every Ontarian should have a pension plan and should be on the ORPP?

Ms. Katha Fortier: Thank you for that question. Our union, first and foremost, considers ourselves to be a social union and is obviously very interested in and very supportive of raising up our communities. Seniors living in poverty are a concern for us, as is an inadequate minimum wage and other social issues that affect our communities and our province and our country.

I think that fundamentally, we can also look at—part of our presentation touched on this as well, but sometimes, even when members do have a benefit plan of some sort, or a retirement plan of some sort, it's often inadequate. They may have lost years of service in it, for various reasons. Sometimes there might be cases where part-time workers are ineligible. We're seeing a certain rise, of course, in precarious work, which, of course, we could talk about at length, and we're really seeing more vulnerable workers. My son is 27 and has been in university for six years—

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Katha Fortier: —and works in hospitality. He doesn't have a pension plan and isn't likely to get one in the foreseeable future. So I think we have to think about the bigger picture of our society.

Mr. Granville Anderson: Amongst your membership, have you seen more DB plans or more DC plans? How do these kinds of plans make a difference to workers in retirement?

Ms. Jo-Ann Hannah: In the DB plan, there is a predictable monthly pension, which is extremely important to our members. It has also been shown in communities where people have a monthly pension plan that they're going to go out and spend that pension in the community.

Where they are relying on their DC account, and they're still thinking about what happened in 2008-09, where they saw a 30% cut in their savings, they're going to be more cautious about going out and spending money. So the DB, I think, is beneficial. There's some security—

The Chair (Mr. Peter Tabuns): I'm sorry, but you're out of time with this questioner. We'll go to the official opposition. Ms. Martow.

Mrs. Gila Martow: Thank you very much for coming in today.

As you said, it's about the bigger picture, and I think that's what we're all trying to look at. I heard you say that it's a bit of an employers' world, and that is because we have fairly high unemployment. We have a lot of people looking for work. Wouldn't you agree that the

best thing we can do to get the bigger picture moving in Ontario is to lower our unemployment rate, especially among youth? I think you would agree. This pension plan, we're being told, will actually decrease employment. People will lose their jobs in order to allow for a mandatory pension plan.

You're saying that you'd like it to be a universal plan and that you're concerned about seniors and poverty. I wonder if you could comment on the fact that many seniors who have the CPP—and yesterday we heard the government say that seniors collect \$6,000 a year; I think it's more like \$12,000 to \$15,000—the reason many seniors are living in poverty isn't just because the CPP is too low, and we can debate that, but it's because they're taking on enormous debt, unlike other generations of seniors. Are you seeing that among your members at all: that people are retiring with debt?

Ms. Jo-Ann Hannah: I wouldn't be able to speak specifically to our members, that they're retiring with debt, but probably the statistics for Canadians would apply to a number of our members—although, remember, they have union jobs. We bargained union wages for them so that they could avoid some of that problem.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Jo-Ann Hannah: I would agree with you that the CPP is too low. I think it also speaks to the issue of why the union believes that an enhanced public program is important. That has been one of the comments, globally: that we have a good CPP, but the amount is set too low in comparison with other countries.

Mrs. Gila Martow: There would be huge administrative costs in order to bring out another plan. I think what we're hearing from pretty much all the deputations is that what they really want is an expanded CPP.

The Chair (Mr. Peter Tabuns): Ms. Munro?

Mrs. Julia Munro: I just wanted to circle around to one of the issues about this bill that others have commented on, and that is the issue around "comparable." The bill lays out very clearly that both employer and employee will pay 1.9%. Obviously, we could discuss the kind of pressure that presents, particularly for small business—

The Chair (Mr. Peter Tabuns): Mrs. Munro, your time is up, I'm afraid.

Thank you very much for your presentation today.

Ms. Jo-Ann Hannah: Thank you.

INSURANCE BROKERS ASSOCIATION OF ONTARIO

The Chair (Mr. Peter Tabuns): The next presentation: Insurance Brokers Association of Ontario. Gentlemen, as you've observed, you have five minutes to present and nine minutes of questions. I'll remind you when you're running out of time. Please introduce yourselves for Hansard.

Mr. Doug Heaman: My name is Doug Heaman. I'm the president-elect of the Insurance Brokers Association

of Ontario. I'm joined by Arthur Lofsky, who is in charge of our government relations, as well as Gus Pappas from our benefits consulting firm.

IBAO represents over 12,000 property and casualty insurance brokers who service six million policyholders in the province of Ontario.

Interruption.

The Chair (Mr. Peter Tabuns): Gentlemen, please.

Sorry, sir.

Mr. Doug Heaman: Our priority is to serve the best interest of the consumer, from proper product selection through to client advocacy with insurers in the event a claim is made. Insurance brokers are also business people—mainly small and medium-sized businesses. According to the 2013 Canadian insurance brokers' survey, the average broker has 25 employees and earned \$659,987 of total average income.

IBAO understands the good intentions behind the rationale to enhance retirement incomes. However, our membership has expressed that we cannot support the planned Ontario Retirement Pension Plan in its current form. During a recent survey of IBAO members, we received further validation regarding concerns of member offices: 57% of those surveyed were opposed to the ORPP, with 28% preferring an approved program designed for IBAO.

1630

The additional costs to brokerage business in Ontario will be difficult to absorb without affecting employment and/or current benefits. We would like to take you through some facts and figures to help understand why.

Figures supplied by the Ontario government indicate that a 1.9% employer contribution would cost the employer anywhere from \$788 to \$1,643 per year. According to the 2013 Canadian insurance broker survey, the average brokerage has 25 employees with various salaries. At the lower end, assuming every employee is earning \$45,000, this represents an added cost of \$19,700 to the business. At the high end, assuming everyone is earning at least \$90,000, the added cost is \$41,075. This means that for the average brokerage, earning \$659,987 before tax, the cost will be in the range of 3% to 6.2% of average income.

The situation is starker when looking at operating income. Operating income per employee for the average broker is \$12,500. To impose a cost of \$788 to \$1,643 per employee would take away 6.3% to 13.1% of operating profit per employee. This policy will likely end up affecting employment and hiring decisions negatively, particularly for smaller brokerages with commission revenue of less than \$1 million. The same survey indicates that the average brokerage with commissions less than \$1 million earns \$136,479, and these smaller brokerages average 5.9 employees.

When it comes to Ontario insurance brokers, IBAO would like to urge the government to consider this policy in totality with other government policy, in particular, the government's mandated 15% reduction in auto insurance premiums. Brokers are paid on commission, and as rates

come down, commissions on auto policies will be decreasing. The result is significantly lower commissions for brokers across Ontario. The full effect of these reductions will be hitting the marketplace just as the ORPP is slated to begin in January 2017. The hit to expenses from the ORPP, combined with the hit to revenues from lower auto premiums, could be onerous to many brokers across Ontario.

The ORPP design consultation paper released in December indicates that the preferred approach of a comparable plan that would make an employer eligible for exemption from the ORPP is a defined benefit plan.

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Doug Heaman: This is unfortunate. Many brokers offer group RRSP plans that fall into a subset of a defined contribution plan. We are asking that the government consider permitting employers that offer group RRSP plans over a certain threshold that is locked in until retirement to be considered a comparable plan to exempt the employer from the ORPP. If the government does not permit group RRSPs to be exempt, it will be doing more harm than good. Only 7% of IBAO members surveyed currently with a group RSP plan would consider keeping their plan in conjunction with ORPP.

Employers that do offer relatively generous defined contribution plans may be forced to cancel their plans altogether in order to comply with the ORPP. It just may be too costly to administer. Recently, the CLHIA came to a similar conclusion. In a survey conducted in January 2015 by Environics and covering 401 workplaces with defined contribution plans or group registered retirement savings plans, it found that two thirds indicated they would consider—

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time. We have to go to questioners. Ms. Mangat from the government will be the first.

Mrs. Amrit Mangat: Thank you, Mr. Heaman and Mr. Lofsky, for your presentation. Study after study has highlighted that Ontarians are not saving enough for retirement. This means that many are at risk of facing a decreased standard of living when they retire, and many may become reliant on publicly funded social programs.

Actually, I was reading an article in today's Toronto Star written by Adam Mayers, who has a finance background. He mentioned one such study. He wrote, "The study concludes with some suggestions, including:

"—Make workplace pensions mandatory to force savings. The coming Ontario Retirement Pension Plan is an example of how that might happen....

"—Don't wait. Governments should do something now, whether enhancing the CPP or going another way."

Having said that, my question is: What could be the potential impact on the insurance industry if their employees, especially seniors, are retiring with insufficient retirement income?

Mr. Arthur Lofsky: Clearly, the more income they have when they retire, the better. I think what we would ask is, if you're going to implement an enhanced retire-

ment plan, we would very much urge the government to allow the definition of “comparable workplace plan” to include group RRSPs. We have discovered that, if you don’t, many brokers will cancel those, and some of those have relatively generous benefits—

The Chair (Mr. Peter Tabuns): You have a minute left. One minute left.

Mr. Arthur Lofsky: They have relatively generous benefits. You may be doing more harm than good. They’ll be in a worse-off situation, because the employers will not be able to administer those plans based on our best advice, and there seems to be a consensus on that from other groups. I do understand that we need higher incomes overall, societally, but in your current design we would really urge you to allow more exemptions for group RRSPs, or else you’ll be doing more harm than good, and they’ll have less money in their retirement if those plans are cancelled.

Mrs. Amrit Mangat: But my understanding is that lots of employees are not using RRSPs or TFSAs. I was reading another article the other day; they were saying there’s 90% room for RRSPs and 88% room for TFSAs.

Mr. Arthur Lofsky: But the employers that are offering them and are using them will have to cancel them if they’re not allowed to be exempt. So they will be worse off.

The Chair (Mr. Peter Tabuns): I’m afraid you’re out of time. We’ll go to the official opposition. Ms. Munro?

Mrs. Julia Munro: Yes, thank you very much. I appreciate your analysis. One of the things that we’ve captured in the hearings is—two words come to mind. One is “mandatory” and the other one is “comparable.” Clearly, the government has in mind a compulsory, mandatory process where each employer and every employee would have a 1.9% contribution to make—and the question of how they’re going to define “comparable.”

I want to take a moment to quote to you from the budget of 2014. It says that “encouraging more Ontarians to save through a proposed new Ontario Retirement Pension Plan, new pools of capital would be available for Ontario-based projects such as building roads, bridges and new transit.” In that context, how would a group RRSP be able to continue? Or would it have to change to the 1.9% contribution?

Mr. Doug Heaman: If I understand the question correctly, you’re asking the difference between a mandatory and a contributory plan, right? In road building?

Mrs. Julia Munro: It says here that it’s a “proposed new Ontario Retirement Pension Plan,” and “new pools of capital would be available for Ontario-based projects.”

Mrs. Gila Martow: I’m going to jump in because she’s being too subtle.

Mr. Doug Heaman: Yes, please. Thank you.

Mrs. Gila Martow: What she’s suggesting is that the reason is they want it to be mandatory, and the reason why they want to exempt things like the RRSP plan—which could be better—so it’s like—

The Chair (Mr. Peter Tabuns): You have a minute left.

Mrs. Gila Martow: —people are going to have to lose a better retirement saving plan in order to go into the new Ontario pension plan because this government wants to be able to use that money for infrastructure.

Mr. Arthur Lofsky: I think there are plenty of pooled capital pools out there—the Canadian Pension Plan Investment Board, the teachers’ pension plan—which aren’t being utilized to their full extent in Ontario for various reasons, and I just don’t think that that is a good justification for implementing this extra cost to small businesses, which could end up putting them out of business.

Mrs. Gila Martow: Especially since Ontario isn’t the driving force of the Canadian economy anymore.

Mr. Arthur Lofsky: Well, okay—

Mrs. Gila Martow: Thank you very much.

The Chair (Mr. Peter Tabuns): Okay. Third party: Ms. French.

Ms. Jennifer K. French: Thank you for making the trip to Queen’s Park and coming and speaking with us today. I appreciate your submission; it’s very thorough. Now I have a few questions for you.

I’m not overly familiar with the ins and outs of your industry, so this is specific. How will the proposed exemptions for some plans and not others affect brokerages, or will it?

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Mr. Doug Heaman: As business owners—I’ll take my own business as an example. We have a group RRSP plan, so we match dollar for dollar up to \$1,500 of what the employee contributes. If we go with a plan that is an imposed plan, we would probably have to eliminate our plan and try to make that plan fit within the constraints of reduced commissions and increased overhead.

Ms. Jennifer K. French: Thank you. If some plans, though, are exempt and they won’t have that same challenge, does that put you, then, at a disadvantage? I guess what I’m asking, or where I’m taking this: Is there an argument for not having exemptions to even the playing field, from a business standpoint?

Mr. Arthur Lofsky: I’m not sure about that. I just think allowing the comparable plan to include group plans will have less harm overall than the 1.9% being imposed, because, as we said, some are going to have to cancel relatively generous benefits.

Gus here may be able to add to it. He’s our pension adviser.

Ms. Jennifer K. French: Okay.

The Chair (Mr. Peter Tabuns): I’ll just note you have a minute left. If you would introduce yourself for Hansard before you speak.

Ms. Jennifer K. French: I do have another good question, if that’s okay.

Mr. Gus Pappas: Gus Pappas, benefits coordinator at BCI. We look after both employee benefits and the pension plan for the IBAO, the group RRSP.

If I understood the question correctly—the advantage-disadvantage of exempting a plan versus making it mandatory—a defined benefit plan is pretty restrictive.

Giving an employer a little bit more flexibility to customize and design it—

Ms. Jennifer K. French: Yes, but my question was, according to this, some will be exempt and some won't. In terms of employers that may have a DB plan versus a DC—one's exempt and one isn't—does that put one at a competitive disadvantage?

Mr. Arthur Lofsky: Yes, because most of them aren't defined benefit plans, if any. So yes, it would put them at a disadvantage compared to other businesses that do offer a defined benefit plan.

Ms. Jennifer K. French: I have a quick question; I'll try to get it in there. Group RRSPs: We talk about how there is lots of room left and not—

The Chair (Mr. Peter Tabuns): Even though it's quick, Ms. French, you're out of time. My apologies.

Thank you for your presentation, gentlemen. We appreciate it.

ACTUARIAL SOLUTIONS INC.

The Chair (Mr. Peter Tabuns): The next presenter: Actuarial Solutions Inc. Sir, as you've seen, you have five minutes to speak and nine minutes of questions, and I'll let you know when you're short on time. If you would introduce yourself for Hansard.

Mr. Joe Nunes: My name is Joe Nunes, and I want to thank you for giving me the opportunity to speak to you about Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan.

I am a fellow of the Canadian Institute of Actuaries. Prior to graduating from the University of Waterloo, I was a co-op student with the province of Ontario, reporting to the actuary responsible for the Ontario Teachers' Pension Plan and the Public Service Pension Plan. In 1988 I joined Mercer, followed by work at a boutique consulting firm in Scarborough, then finally establishing Actuarial Solutions in 1998, where I am president. My company provides actuarial, consulting and pension administration services to clients ranging from small businesses to multinational corporations.

My entire career has been spent working in the area of pensions, where I have gained considerable experience in the actuarial science supporting pension funding and the challenges faced by any plan that promises guaranteed outcomes in an uncertain economic world. I am making this presentation as a qualified professional with expertise in the area of pensions.

I do acknowledge that the Ontario government is committed to addressing the retirement needs of a 21st-century workforce and that its preferred option continues to be the enhancement of the Canada Pension Plan. In the absence of action at the national level, the government is proceeding with the ORPP, which is designed to provide a predictable stream of retirement income while pooling longevity and investment risk.

While I appreciate what the government is trying to do, I have a number of concerns with its approach. The current proposal requires contributions from low-income

workers. There is general agreement that with Old Age Security, CPP and guaranteed income programs, these workers are not in dire circumstances at retirement relative to their working years.

The proposed ORPP requires full funding, which will require either a 40-plus year phase-in of full benefits or an acceleration towards full benefits, where older workers benefit at the expense of future generations. The children and grandchildren of the baby boomers already face a less prosperous future and, in my opinion, should not be burdened through additional intergenerational transfers of wealth. I worry that it will be too tempting for the government to promise benefits today and push the costs to tomorrow, all disguised in actuarial assumptions that will take decades to prove right or wrong.

The current proposal establishes a pension plan in Ontario, not a social program. As a result, there is no mechanism to access the favourable tax treatment of the CPP without coordinating this program with other tax-assisted programs defined under the Income Tax Act of Canada. In a nutshell, this means that the ORPP will need to be integrated with the pension adjustment system for determining worker eligibility for other programs, such as RRSPs and employer-registered pension plans and profit-sharing plans. Essentially, for many workers who have reached the maximum savings thresholds under the Income Tax Act, no new savings will be generated; we are only changing where those savings are invested.

Because Ontario is travelling this road alone, there is no opportunity to leverage the infrastructure that the federal government has put in place for the CPP. This infrastructure allows for the collection and investment of contributions and the determination and payment of benefits. The administrative operation of the CPP is large and complex, and it should not be underestimated how difficult it will be for Ontario to replicate these services.

Finally, an Ontario-only solution with exemptions for certain employers and their workers means that the program will not have as much critical mass as is needed to spread governance and administrative costs over dollars and members.

I'd like to offer some advice to the government, understanding that they're going to proceed with this program:

(1) Work with the federal government to gain tax-assisted treatment for the program consistent with the treatment of the CPP. Coordinating the ORPP with the current pension, profit-sharing and savings programs already in place in Ontario is going to cause significant upheaval in those programs and, in many cases, will result in offsetting reductions in savings to match the increased savings created by the ORPP, ultimately resulting in no new savings or benefits.

(2) Eliminate all exemptions for "comparable plans."

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Joe Nunes: Not all defined benefit plans are created equal, and creating an exemption based upon plan type is ill-advised. Likewise, not all defined contribution plans are created equal, and some defined contribution

plans are patently better than some defined benefit plans at delivering benefit levels.

(3) Set the earnings level covered to reflect the identified need for increased retirement savings. My recommendation would be to have contributions only cover earnings between the YMPE and two times the YMPE. This is the income range most commonly viewed as currently suffering from inadequate retirement income. Workers earning less than the YMPE are largely considered adequately served by the CPP and other programs.

(4) Seek an outsourcing arrangement for administration and investment with the federal government. A world-class investment and administration system is already in place. Leveraging the current arrangements would be cost-effective. This also sets up the province to seamlessly merge the ORPP into an expanded CPP, should that happen at a future date.

The Chair (Mr. Peter Tabuns): Thank you, sir. I'm sorry to say that you're out of time. The first question goes to the official opposition. Ms. Martow.

Mrs. Gila Martow: Hi. I also attended the University of Waterloo, so I'm glad that you fit that in.

I think that what I'm hearing from your presentation, which we're hearing from many people, is that this is going to be very expensive and inefficient, and what we really want to do is work with the federal government. We hear often from the provincial government that that's exactly what they want and that the federal government are just a bunch of meanies. But we're seeing a huge deficit—announced today, a \$10.9-billion deficit—and we're seeing fairly high unemployment in Ontario compared to history. We had the lowest unemployment in Canada, and now we have the highest unemployment, in one of the major provinces.

Just in your opinion, if you could share it with everybody here: Do you think that it's unwise to push forward with an Ontario plan? Should the focus really be on getting the economy on track in Ontario, and then we can sit down with the federal government and work on some kind of partnership with the CPP or expanding the CPP?

Mr. Joe Nunes: Thank you. Good question. Just to be clear, I'm not even in favour of expanding the CPP. I've written about that before. I think that these social programs are delicately funded, and we run a risk of pushing costs to future taxpayers. With that said, the ORPP is 10 times worse an idea than expanding the CPP, for all of the reasons around going it alone and losing all the leverage that already exists in a well-run CPP.

As for the economy, I'm not a trained economist, but certainly one would argue that if the economy were doing better, the federal government might be more open to that conversation about expanding the CPP.

Mrs. Gila Martow: Exactly. You can't tailor-make a program for everybody, obviously, but would you feel that the best bet, the best program for Canadians, is to stick with the CPP, maybe expand it a little bit—it is \$12,000 to \$15,000 per person—and really focus on educating the public to augment their retirement income

by paying off their mortgage, by not accruing debt, by using their tax-free savings accounts and their RRSPs? Is that your best vision?

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Mr. Joe Nunes: Yes. I think that's a good observation. I think one of the things that has been lost sometimes in this conversation is that, certainly, if we put more money into the ORPP, we'll generate more income out the other end. Some people have come and spoken about how that just means it's coming out of a different pocket. More importantly, if people, during their working years, do save more, including the ORPP, they may also run up greater credit card bills and larger mortgages to finance their lifestyle.

Fundamentally, citizens in this country and, frankly, around the world, are going to have to learn how to balance their chequebook and save enough for retirement. I'm just not convinced that our provincial government is offering an efficient way of helping people to do that.

The Chair (Mr. Peter Tabuns): I'm sorry, sir, but you're out of time with this questioner. We go to the third party. Ms. French.

Ms. Jennifer K. French: Thank you very much for joining us today at Queen's Park. We welcome your clear expertise on the subject. Since being named pension critic for my party, I've had the opportunity to meet with many pension gurus and experts—

Mr. Joe Nunes: Sorry about your luck.

Ms. Jennifer K. French: —some of my new favourite people. I'm pleased to have your voice here.

I'd like to give you the opportunity to expand a bit on your second point, "Eliminate exemptions for 'comparable plans.'" As you have here, "If there are to be exclusions, the measure should be benefit levels."

A number of people have spoken about how comparability should be based on the contribution side. Perhaps if you could expand on that for us.

Mr. Joe Nunes: Sure. Defined benefit and defined contribution are opposite sides of the coin. We have some great defined benefit plans in this province. Notably well heard of is the teachers' plan, and probably the public service, followed behind it.

Ms. Jennifer K. French: I'm a teacher.

Mr. Joe Nunes: Good for you. So we have some great defined benefit plans that deliver a really good retirement income. We also have some defined benefit plans in this province, in this country, that are substantially less generous and are substantially less expensive for employers to run. You can't call them all equal just because they have the title "defined benefit." On the other side, some defined contribution plans have very minimal contributions, and others have very generous contributions.

Obviously, if you could take every plan and say, "Here's the measure of the benefit they're getting, and anyone who delivers a benefit this big, we'll exclude," that's the first choice and best choice, but you can't really do that with defined contributions. So your next-best bet is to say, "If they're at least putting this much money

away, then that ought to be fair also," because they're already helping people put the money away.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Jennifer K. French: Okay. I have another question, then, to take advantage of your expertise while we have you. Bill 56 also puts on the table that they're going to be creating a management or administrative arm or group.

Mr. Joe Nunes: Right.

Ms. Jennifer K. French: Could you weigh in on what you think that should look like, and perhaps who should be in charge of this giant pool of money?

Mr. Joe Nunes: Again, I'm not a politician. I don't understand politics, so I have no idea how you broker a deal with the federal government, but I think the federal government spends about \$600 million a year running the Canada Pension Plan.

Let's assume that the ORPP is smaller and therefore costs less, but, as we all know, whenever you build something, there's a fixed cost and a variable cost. Ontario is what percentage of Canada? You're going to spend several hundred million dollars building your own, and you could probably go to the federal government and get a deal for less than that. That would be my observation, on behalf of taxpayers. Let's get the most efficient—

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time with this questioner. We go to the government. Madame Lalonde.

Mrs. Marie-France Lalonde: Thank you very much for being here today. I really appreciate it.

Mr. Joe Nunes: Thank you.

Mrs. Marie-France Lalonde: I have to say, I heard you numerous times mentioning our great federal friends, and as you alluded, we've tried very hard to actually move forward in that enhancement of our CPP.

I'm going to ask you something, though. I'm a little bit surprised. I had the great pleasure of welcoming our Associate Minister of Finance in my riding for a group consultation. Actually, there was a person who does exactly your job. I guess he works for the pension and benefits office, or what is referred to as the PIPSC. He came to talk to us about when he was part of the CPP and moving this one forward in Canada.

It's interesting enough that he was also referring—there were a lot of suggestions, there were a lot of businesses challenged with this decision. But would you say that the CPP is one of the best things that we've ever done as Canadians for ensuring the safety of the future generation, like when you retire?

Mr. Joe Nunes: I think that the end result of the CPP of providing good retirement income to people is a good thing that we've done. But if you dig into the details, I'm paying for my father's generation and my children will also be paying for my mom's pension. So when you say "best," I think that's a bit of an exaggeration. It's a really delicate game to take money today and make a promise for 20, 30 or 40 years for tomorrow.

Back to the whole thing about where will this money get invested: The bottom line is, the province is going to

have to go and scramble as hard as they can to find the best possible investment returns on this money, which is why you don't see—

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Joe Nunes: —the Canada Pension Plan only investing in Canada now. They're trying to find the best possible investments globally.

Mrs. Marie-France Lalonde: I'm going to just refer to a study, if I may, in just asking you—and I'll try to do it as fast as possible. Boston Consulting Group found that individuals with defined benefit plans tend to be confident consumers. The recent report states that in Ontario, individuals with these plans "are spending approximately \$27 billion on consumables, shelter, durables, recreation and services."

So I'm asking you: What would the impact be on enhancing the retirement savings for more retirees?

Mr. Joe Nunes: I'm not sure I understand your question, but there was a comment earlier about people with defined benefit plans being more confident about spending money next week because they've got a predictable income coming and DC doesn't necessarily have that. I certainly appreciate that, but again, these are all kind of like little tidbits that point you in a direction that don't give you the right answer. For example, we have an entire insurance industry in this country that sells annuities, so people with—

The Chair (Mr. Peter Tabuns): I'm sorry to say this, but you've run out of time on that response.

Mrs. Marie-France Lalonde: Thank you.

Mr. Joe Nunes: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much for your presentation today.

ONTARIO PUBLIC HEALTH ASSOCIATION

The Chair (Mr. Peter Tabuns): Our next presenter: Ontario Public Health Association; Ms. Walsh. You have five minutes to speak and nine minutes of questions. I'll warn you when you're running out of time, and if you'd introduce yourself for Hansard.

Ms. Pegeen Walsh: Thank you for the opportunity to appear before your committee. My name is Pegeen Walsh. I'm the executive director of the Ontario Public Health Association. With me today is Caroline Wai, an OPHA member, volunteer and co-chair of our Health Equity Workgroup.

Our non-profit, non-partisan association brings together people committed to improving people's health. Many of our members are on the front lines of community and public health and see on a daily basis the health impacts on those that are marginalized and living in poverty.

OPHA recognizes that strengthening Ontario's retirement income system can offer both economic and health benefits. Having an adequate income is one of the most significant factors for ensuring good health. An adequate income allows for affordable housing, nutritious food, dental care and other necessities that support one's overall health and well-being.

This new pension system can be an important building block for strengthening Ontario's income support system, especially if it includes features such as:

- mandatory participation for those without a comparable pension plan;
- a predictable stream of income through a defined benefit;
- indexed benefits to inflation;
- portability as people change jobs;
- survivor benefits for a surviving spouse; and
- administration by an arm's-length, non-profit entity with a strong governance structure.

Given the strong links between income and health, OPHA recommends that your committee assess the health impacts of this new legislation prior to its adoption and implementation. Our members, for example, are seeing many disturbing workplace and societal trends that affect health and need to be taken into account to ensure this new plan is responsive. Allow me to highlight a few of these developments.

There's an increasing number of people experiencing precarious employment. This can range from full-time employees who receive a wage but no benefits, work variable hours and are unlikely to be employed by the same firm in the future to those that are temporary, part-time, casual, contract or self-employed because they cannot find work elsewhere. Young people trying to enter the workforce, newcomers as well those 55 to 65 years old are especially disproportionately affected by precarious employment. We're seeing escalating housing prices in major urban centres, and an increasing number of Ontarians living in poverty who can't afford nutritious food and other necessities. For example, our members are seeing more seniors with limited access to oral health services ending up in hospitals as the only way to get treatment.

These and other developments have created increasing economic disparities within Ontario. It would be unfortunate if this new plan exacerbated rather than mitigated these factors. We ask you to consider the following:

How can those who hold part-time or contract positions and move from job to job as employment disappears benefit from this plan?

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How can we reduce the burden on those who are earning a low wage where even a minimal wage deduction to support a plan can make a real difference in one's ability to secure life's necessities, including dental and vision care?

What aspects will prevent employers from favouring contract and part-time work, reducing hours or positions to limit their expenses and the number of those who may be eligible for the new plan, or having employers eliminate existing plans that offer better benefits?

How can we ensure that this new plan does not exacerbate the growing gap in incomes and economic disparities and further marginalize disadvantaged groups in our province?

OPHA recommends that a two- to four-year review period be required under the plan once it's implemented

to determine whether there are any unintended consequences that negatively affect people's health and whether modifications to the plan are needed.

We believe that increasing people's income security in their retirement will be beneficial to people's health as well as the economy. In fact, we too saw the article in today's Star from the Boston Consulting Group that showed that good pensions can fund healthy communities, that seniors with defined benefit plans are confident spenders and that most of that revenue stays in the community and that a predictable revenue stream allows them to better plan their affairs.

We ask the committee to see this initiative as one piece of an income support system, as there will be those that are left out. Other supports will be needed to reduce the effects of poverty as well as supporting healthy aging.

OPHA welcomes the opportunity to work with legislators to create positive change. Strengthening income support, for example through better pensions, can help improve health and well-being, reduce disparity and health care costs, and create a fairer society.

The Chair (Mr. Peter Tabuns): One minute left.

Ms. Pegeen Walsh: Thank you for the opportunity to convey these ideas and the concerns of our association. I've provided some background information for you that explains the critical links between income and health.

The Chair (Mr. Peter Tabuns): Thank you very much. First question to Ms. French, third party.

Ms. Jennifer K. French: Thank you very much for joining us today at Queen's Park and for weighing in on this bill. I was making notes on the first page of your submission and then you asked the same questions on the other that I was going to ask you.

One of the parts that you have said here about portability as people change jobs and then to your question: "How can those who hold part-time or contract positions and move from job to job as employment disappears benefit from this plan?" Do you have suggestions or thoughts on that? You would obviously see many who are in, as you said, precarious employment situations in a changing economy. Do you have suggestions to that point?

Ms. Pegeen Walsh: We're not pension experts, but we think it is important that the plan allow for that precarious employment. That is the benefit of having a pooled plan, because people, especially young people, are expected to have many different jobs over the course of their working career—so to find a way in that plan to allow for people who are part-time, who are in a job less than a year moving to another job, to allow for that flexibility, to recognize the increasing number of people who have precarious employment.

Ms. Jennifer K. French: We've had lots of people weigh in on points similar to this: the idea that, by having exemptions, you end up with these challenges. By not having exemptions and everyone in, then everyone benefits. Would you agree that that might be something for the government to consider?

Ms. Pegeen Walsh: So long as the exemptions don't exacerbate those income inequalities and provide one

group of people with even more income as opposed to those that are the most vulnerable with the lowest income at this point.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Jennifer K. French: Your point here as well: "How can we reduce the burden....?" But you've mentioned about life's necessities, including dental and vision care. I would encourage you to invite yourselves, if you haven't already been invited, to consult perhaps with the government on some of their changes to dental programs. I certainly hope that they will make use of your expertise and recommendations. But I digress.

What is the most obvious link between income and health that you can take this opportunity to share with us?

Ms. Caroline Wai: Again, adequate income would ensure that there's the ability to purchase healthy foods. As you know, all health units are required to conduct a Nutritious Food Basket for their area. That would be one method of looking at a tool that could be used. That would be the most basic amount of looking at food security.

Adequate housing, particularly in the GTHA: We've seen increasing—

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time. We have to go to the government. Dr. Qaadri?

Mr. Shafiq Qaadri: Thank you very much, Chair Tabuns. It's a privilege to speak to fellow health care practitioners. As a physician myself, I think a number of the points you've highlighted—the mandatory participation, the predictable stream, indexed benefits, survivor benefits—I think, as you'll realize, most of those issues are incorporated.

I would just throw this out to the opposition: that we'd be honoured to have the participation of the federal government with the CPP enhancement, but we can't actually get meetings with the Harperites. So if you have any direct phone numbers, I would encourage you to do that.

I'm wondering, Ms. Walsh, if you might highlight for us—because you, no doubt, as a public health expert, have deep knowledge, I'm sure, of the US experience, where they have seniors who are, for example, choosing between medications and food or mortgages and foods etc. Maybe set for us a little bit, in relief, the American experience so that we as Canadians don't go down that pathway, and ensure predictable retirement income security for Ontarians.

Ms. Caroline Wai: Again, as I was mentioning before, adequate income would ensure nutritious food, adequate housing, things like heating of the home that you purchase. There are often people who are very low-income who have to make a decision about whether they're going to heat their home in the middle of winter.

Transportation costs: If you look at the Ontario action plan for healthy seniors—I'm getting the title mixed up—it talks about ensuring that there are age-friendly communities.

Ensuring an adequate income would ensure that seniors have purchasing power so that people don't have to make decisions around prescriptions or what food they're going to purchase, or whether they can actually take transportation to their doctors' appointments. The effects of being able to ensure healthy aging as they progress will also potentially see health care dollars being reduced. We won't see the very sick.

There's plenty of research that talks about the social gradient, that as you increase—

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Caroline Wai: —in every step of income, you are healthier. So in societies that have a lot of income disparity, we see much higher use of health care dollars being spent—

Mr. Shafiq Qaadri: Quite right, and as you will know, there's a whole discipline, or a whole industry, attached to the social determinants of health, which are economically underpinned.

I'm sure you're aware of the fact that the number one cause of personal bankruptcy in the United States is health care costs.

Ms. Caroline Wai: Yes.

Mr. Shafiq Qaadri: All right. Thank you.

Mr. Tabuns?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Qaadri.

We go to the official opposition: Mr. Hudak?

Mr. Tim Hudak: I thank you both, from the Ontario Public Health Association, for coming in—a very thoughtful presentation.

I saw that you were here for a little while beforehand, listening in. You were here for the Insurance Brokers Association presentation, I think?

Ms. Pegeen Walsh: We just heard the tail end.

Mr. Tim Hudak: Okay. Basically, they said in their presentation that this will cost the firm up to \$1,600 per employee, and of course, the employee would have to match that. One of your salient points is, this could impact low-income families or create fewer jobs. Did you hear them mention that in their presentation?

Ms. Pegeen Walsh: I didn't hear the detail—

Mr. Tim Hudak: This is the kind of concern that you're getting at, that this may cause more unemployment as a result, because of the higher taxes. The insurance brokers say they'll probably hire fewer people as a result. That would be a concern to low-income people who are out of work altogether.

Ms. Pegeen Walsh: This plan would affect those who are in the workforce. We talked about how people are moving from job to job. It allows them to be able to have some savings that are going to provide a more secure future. By pooling their resources with others', there is more security around what investment could look like.

Mr. Tim Hudak: As the insurance brokers pointed out, this will be a new tax on hiring, so it makes it more expensive to hire people. Their concern is that people will actually lose jobs and lose coverage, and then they put in for unemployment or welfare down the road.

The other concern we've heard consistently from the social welfare point of view is that those who are impacted the most by this are low-income families who will pay a higher tax, but their benefits and OAS will be clawed back over time. So the sad irony of this is that it's low-income individuals who are hurt the most at the end of the day.

You essentially propose a review, to make sure that low-income individuals and families aren't being impacted. Would it be sensible to do that review before the plan is implemented, just to make sure we have the facts on how people are impacted at low income levels?

Ms. Pegeen Walsh: There are two things that we're suggesting. Often, the devil is in the details, so—

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Pegeen Walsh: —it would be helpful, as the details of that plan get developed, to bring that health analysis, and then, once a plan is implemented, to then do further assessment.

I also did hear some testimony on other days that some employers are seeing this as a competitive advantage, because they're losing employees to other employers, so there is that aspect.

We're also talking about saving now, to guarantee adequate income in the future.

Mr. Tim Hudak: Okay. Thank you.

The Chair (Mr. Peter Tabuns): Any further questions?

Mrs. Gila Martow: Yes, I'll just add very quickly that the concern is that it's costing employers, and that, yes, maybe people need to be forced to save. It's hard, maybe, for some people who have been good at saving to understand that.

But there's a cost to employers in this plan. It's not just a cost to employees. Now it's possible that the government can implement a plan where people are forced to put into tax-free savings accounts or RRSPs and not touch the money, but that's not what they're looking at. They're looking at a burden on employers, and employers were always free to have a plan.

The Chair (Mr. Peter Tabuns): Ms. Martow, I'm sorry to say you're out of time.

Mrs. Gila Martow: Anyhow, thanks for coming in.

The Chair (Mr. Peter Tabuns): Thank you very much for your presentation.

Ms. Pegeen Walsh: If I may reply to that?

The Chair (Mr. Peter Tabuns): No.

Ms. Pegeen Walsh: Oh, okay.

Mrs. Gila Martow: You can reply to me privately.

Ms. Pegeen Walsh: Okay.

The Chair (Mr. Peter Tabuns): Thank you very much for presenting today.

Colleagues: very quickly, a reminder that the administrative deadline to file amendments to the bill with the Clerk is at 12 noon on Wednesday, April 8, this year, 2015.

I'd also like to ask the committee if people would be in agreement to switch to room 151, the Amethyst Room, whenever it's available, in order to allow for live streaming and simultaneous interpretation. The room is available on Mondays. It's used by the estimates committee on Tuesdays, but that committee is not anticipated to meet over the next little while. You're agreeable? Excellent.

With that, the committee stands adjourned until 2 p.m. on Monday, April 13, 2015.

The committee adjourned at 1711.

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 Mrs. Julia Munro (York–Simcoe PC)

 Mr. Shafiq Qaadri (Etobicoke North / Etobicoke-Nord L)

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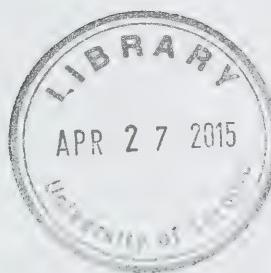
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Standing Committee on Social Policy

Ontario Retirement Pension
Plan Act, 2015

Comité permanent de la politique sociale

Loi de 2015 sur le Régime
de retraite de la province
de l'Ontario



Chair: Peter Tabuns
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 13 April 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 13 avril 2015

*The committee met at 1400 in room 151.*ONTARIO RETIREMENT PENSION
PLAN ACT, 2015

LOI DE 2015 SUR LE RÉGIME
DE RETRAITE DE LA PROVINCE
DE L'ONTARIO

Consideration of the following bill:

Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan / Projet de loi 56, Loi exigeant l'établissement du Régime de retraite de la province de l'Ontario.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. We're here for clause-by-clause consideration of Bill 56, An Act to require the establishment of the Ontario Retirement Pension Plan. Please note that copies of the bill, along with the package of amendments to the bill filed to date, have been distributed to the committee.

Are there any comments or questions before we go to section 1?

There being none, we'll go to section 1 and we have a PC amendment: Ms. Munro.

Mrs. Julia Munro: Thank you. If I could just introduce the notion that is being brought forward in this amendment, it is simply to reflect the concerns of many deputants, knowing that this requires a great deal of internal change in the private sector without any kind of cost-benefit analysis.

The Chair (Mr. Peter Tabuns): Could you actually read the motion first, and then I'll ask for commentary.

Mrs. Julia Munro: Okay. I was sort of waiting for your direction on that.

I move that section 1 of the bill be amended by adding the following subsection:

"Cost-benefit analysis

"(3) The Minister of Finance shall prepare a cost-benefit analysis of the proposed Ontario Retirement Pension Plan and shall table the report in the Legislative Assembly before December 31, 2015."

The Chair (Mr. Peter Tabuns): And if you'd like to speak to that.

Mrs. Julia Munro: Certainly. I just would remind members that many people raised issues amongst the deputants, knowing that they had legitimate concerns with regard to the way in which the money was to be collected, the way in which people would participate, the definition of those able to participate and those pre-

vented. This reflects the concern of many of the deputants, that they have an idea that the government in fact has done its due diligence on this particular bill.

The Chair (Mr. Peter Tabuns): Any further discussion? Dr. Qadri?

Mr. Shafiq Qadri: Thank you, Mr. Chair. I'd like to thank Ms. Munro for presenting PC motion 1. In a spirit of true co-operation and bipartisanship, the government will be pleased to support that particular motion. We certainly echo your sentiments with regard to the commitment towards transparency and accountability, particularly in view of the fact, for example, that stakeholders and experts, such as the economist for the former governor of the Bank of Canada, have completed an economic analysis and have actually pointed us in this very same direction.

We look forward to supporting PC motion 1, and I hope you will savour that moment.

The Chair (Mr. Peter Tabuns): I know. There's surprise all around the room.

Any other speakers? There being none, are members ready to vote? We're voting on motion number 1. Shall the motion carry? The motion is carried.

Shall section 1, as amended, carry? All those in favour? Carried.

The Chair (Mr. Peter Tabuns): We go on to section 2, and we have NDP motion 1.1. Ms. French, would you read out the motion?

Ms. Jennifer K. French: Yes. I'm just getting used to this process, so please correct me if I say this incorrectly.

The Chair (Mr. Peter Tabuns): We will.

Ms. Jennifer K. French: I move that section 2 of the bill be amended by adding the following subsection:

"Independence

"(1.1) The organization of the administrative entity shall be similar in principle to that of the Canada Pension Plan Investment Board and its directors, officers, employees and agents shall not be part of the provincial public administration."

The Chair (Mr. Peter Tabuns): Would you like to speak to that?

Ms. Jennifer K. French: Well—

The Chair (Mr. Peter Tabuns): You don't have to, but if you'd like to—

Ms. Jennifer K. French: No. I think it stands for itself at this time.

The Chair (Mr. Peter Tabuns): That's fine. Is there any other commentary? Dr. Qadri?

Mr. Shafiq Qaadri: Yes. I thank Ms. French for the presentation of NDP motion 1.1. Regrettably, the government will not be supporting it.

I think we've been clear in our speeches and discussions and the consultation papers and the minister's round tables across Ontario that we will, in fact, be establishing an arm's-length agency. We will of course empower that agency to have a strong governance model, but we do take under advisement the issue of mirroring and building upon the success of the CPP and its various parameters. So the government will not be supporting that particular amendment.

The Chair (Mr. Peter Tabuns): Further discussion? Ms. French and then Ms. Munro.

Ms. Jennifer K. French: I'm not sure if I'm timing this correctly, but I'd like to call for a recorded vote.

The Chair (Mr. Peter Tabuns): When we get to the vote, then yes, we'll have a recorded vote.

Ms. Munro.

Mrs. Julia Munro: Yes, thank you very much. We will be supporting this. It has been clear; again, many deputants have remarked on the importance of making sure that it is stand-alone, and that by mirroring it to the Canada Pension Plan Investment Board, they would, in fact, be doing so. Our concern is that other examples of agencies that the government has set up as arm's-length have not always been so, and they don't really have a good track record in that regard. So we support the notion that it be patterned after the CPP Investment Board.

The Chair (Mr. Peter Tabuns): Further discussion? There being none, members are ready to vote? You'd asked for a recorded vote, Ms. French? Okay.

Ayes

French, Martow, Munro.

Nays

Anderson, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The motion is lost. We go to the next motion. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the bill be amended by adding the following subsection:

"Auditor General

"(4) The Auditor General may review any decision, operation or investment made by the administrative entity."

The Chair (Mr. Peter Tabuns): Would you like to speak to that?

Mrs. Gila Martow: Yes. This is really for clarification. We want to make sure that the Auditor General has the full ability to audit the ORPP entity. We don't want to make assumptions. It's a huge plan. We just saw an OPP investigation into alleged fraud at the level of the Ontario Provincial Police Association pension board, and that is a much smaller pension plan than what we're discussing here. Federally, the Auditor General already has

this power over the CPP board and makes investment decisions, so there's no reason why the Auditor General of Ontario should not have the same powers.

The Chair (Mr. Peter Tabuns): Further discussion or commentary? Dr. Qaadri.

Mr. Shafiq Qaadri: I thank Ms. Martow for presenting PC motion 1.2. The government will not be supporting this particular motion. We appreciate the sentiments and the issue of auditing, but we'll take that, at this time, under advisement for later consideration.

We do not believe that this bill is the appropriate place for the inclusion of this particular amendment. There are a number of details, including with regard to the administration, that we will present in subsequent legislation. I think it's understood by members of this committee and certainly by those in the Legislature that this is a framework bill, and that level of detail will be discussed subsequently.

I also note for the record that I understand that the motion that will be presented immediately after this particular motion is very similar in spirit.

The Chair (Mr. Peter Tabuns): Thank you. Further discussion? Ms. French.

Ms. Jennifer K. French: Yes. I'd be pleased to say that in this instance, the NDP would support this motion, and I think this bill is the perfect place for the Auditor General to be involved.

The Chair (Mr. Peter Tabuns): Any further discussion? People are ready to vote?

Mrs. Julia Munro: Recorded vote.

Ayes

French, Martow, Munro.

Nays

Anderson, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The amendment fails.

We go to the next motion, number 2.

Mrs. Gila Martow: I withdraw, please.

The Chair (Mr. Peter Tabuns): Withdrawn.

We are now voting on section 2. Shall section 2 carry? Carried.

We go to section 3. We have NDP motion 2.1. Ms. French, do you want to move that motion?

Ms. Jennifer K. French: I move that subsection 3(2) of the bill be amended by striking out paragraph 3.

The Chair (Mr. Peter Tabuns): Any discussion?

Ms. Jennifer K. French: I have to find it.

The Chair (Mr. Peter Tabuns): Is there anyone else who would like to discuss this?

Mr. Shafiq Qaadri: Mr. Tabuns, I would respectfully ask the NDP to comment on it. They're actually attempting to remove a fairly significant subsection of this particular bill, and I think the government and perhaps the people would like to know why.

Ms. Jennifer K. French: I'm afraid I've gotten a little tangled with where we are, so if I can just ask for—

The Chair (Mr. Peter Tabuns): Can we have a brief recess to allow Ms. French to collect her notes? Five minutes? You're all agreeable? Fine.

The committee recessed from 1411 to 1416.

The Chair (Mr. Peter Tabuns): We're back in session. Ms. French, if you'd like to comment.

Ms. Jennifer K. French: Yes. I appreciate the government's question, because I think I have the same question when we are proceeding in an order that was a little confusing for me.

The section that we're asking about—

Interjection: Section 3?

Ms. Jennifer K. French: Section 3, subsection (2), "Information concerning Ontario's population, labour force and economy....": This is the gathering of information which we recognize would be necessary if there are going to be plans that are considered exempt. One of our amendments certainly to come is that none be exempt, so we consider this section to be hopefully redundant—or, rather, unnecessary. We're hopeful that a later amendment will be adopted and there will not be plans that will be considered for exemption.

The Chair (Mr. Peter Tabuns): Thank you. Further discussion?

Mr. Shafiq Qaadri: Mr. Chair, I thank Ms. French for her elaboration of that. I might just respectfully ask that, if they find that it's redundant—would she care to remove it or withdraw it now?

Ms. Jennifer K. French: When I said the term "redundant," I corrected that and said it would be—

Mr. Shafiq Qaadri: It would be unnecessary?

Ms. Jennifer K. French: That it would be unnecessary when, hopefully, our amendment will be considered and adopted and there won't be plans—

Mr. Shafiq Qaadri: I will take you at your word. If it's unnecessary, shall we remove it?

Ms. Jennifer K. French: Remove this section?

Mr. Shafiq Qaadri: Remove your motion.

The Chair (Mr. Peter Tabuns): Speak to me, please.

Mr. Shafiq Qaadri: In any case, we'll—

Ms. Jennifer K. French: No.

Mr. Shafiq Qaadri: I will announce right now that the government will not be supporting this particular amendment, redundant or unnecessary as it may be. I think the operative issue right now is that that would remove the capacity of both the minister and the Ministry of Finance to essentially collect the information from employers, public bodies, the federal government and any other agency with regard to the status of the pension plans that are currently available to the public and are in operation. That would really, I think, handicap a government that is attempting to establish a new pension plan.

The other operative issue is that we need to have precisely that information and have a deeper understanding of the comparable plans that are available in order to mesh it with the new pension plan that we are now proposing. This is precisely, I would respectfully remind

my colleague, what the Associate Minister of Finance was engaging in during her province-wide consultations and the paper that was published in December 2014, as well as her consultation with 10 municipalities across Ontario.

We need that information on what's available to employees through different employers and, of course, helping us to solidify and strengthen the definition of the comparable plans that are out there. To remove this entire paragraph, I think, would be—at her word—both unnecessary and, perhaps, redundant.

The Chair (Mr. Peter Tabuns): Any further commentary? Ms. French?

Ms. Jennifer K. French: I maintain that we are hopeful that this ORPP, going forward, will be universal and therefore no one will need to be exempted. Therefore, I continue to move that this subsection be stricken.

The Chair (Mr. Peter Tabuns): Okay. Further discussion? Seeing none, members are ready to vote?

Ms. Jennifer K. French: Recorded vote.

The Chair (Mr. Peter Tabuns): You want a recorded vote?

Ms. Jennifer K. French: Yes.

The Chair (Mr. Peter Tabuns): Okay.

Mrs. Kathryn McGarry: Chair, could I respectfully ask that, when we're moving forward to vote on a motion, you actually identify the motion?

The Chair (Mr. Peter Tabuns): Ms. McGarry, I think that's a fair request.

Mrs. Kathryn McGarry: Thank you very much.

The Chair (Mr. Peter Tabuns): It's motion 2.1.

Ayes

French.

Nays

Anderson, Lalonde, Mangat, Martow, McGarry, Munro, Qaadri.

The Chair (Mr. Peter Tabuns): Okay. Now we can move to vote on section 3, as a whole.

Shall section 3 carry? Carried.

New section 3.1, and we have PC motion 3: Ms. Martow.

Mrs. Gila Martow: I move that the bill be amended by adding the following section:

"Regulations

"3.1 The Lieutenant Governor in Council may make regulations governing the procedures for eligible employers and eligible employees to opt out of the Ontario Retirement Pension Plan."

The Chair (Mr. Peter Tabuns): Any discussion? Ms. Munro.

Mrs. Julia Munro: This amendment would obviously give the opportunity to have an opt-out clause. The rationale for that is listed under motion number 19, and we'll debate it then.

The Chair (Mr. Peter Tabuns): Any further discussion? Ms. McGarry.

Mrs. Kathryn McGarry: We know that there's an undersavings issue in Ontario. Study after study has shown that. The motion here, as written, would contravene the intent of this bill as well as the language contained within the bill. It states that eligible employers and employees must contribute to the Ontario Retirement Pension Plan and, by inference, cannot opt out of it.

This is a problem across Ontario. The government is not going to be supporting this, because it is felt that we need to make a robust Ontario Retirement Pension Plan, and this is how it should go forward.

The Chair (Mr. Peter Tabuns): Further discussion? Ms. Martow, and then Ms. French.

Mrs. Gila Martow: I just want to comment on that. We know that the best way to be able to save for your retirement is to have a job, and a good-paying job, and not to have high expenses, so that there's some money left over at the end of the month to invest in RRSPs and tax-free savings accounts, and to put money down on your mortgage.

We're seeing energy costs rise. We're seeing good jobs vanish. In fact, when people are unemployed, they won't be part of the Ontario Retirement Pension Plan. I would want to remind everybody of that.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: No, we will not be supporting this, because I think that the focus should be on more people included in a defined benefit plan and able to opt in rather than opt out.

The Chair (Mr. Peter Tabuns): Okay. Further discussion? Dr. Qaadri.

Mr. Shafiq Qaadri: Yes, Mr. Tabuns, I would simply add that our honourable colleagues from the PC side are in fact on record as originally wanting kind of an amalgamation or perhaps an expansion of the CPP.

I would simply say, from the government's point of view, in the absence of being able to acquire a meeting with Prime Minister Harper for more than a year, and, as the Premier said, if he will not lead the way, he ought to get out of the way. I think we'd like to proceed.

The government will not be supporting this particular motion.

The Chair (Mr. Peter Tabuns): Any further discussion? Seeing none, if members are ready to vote, we'll be voting on motion 3. All those in favour? All those opposed? The motion is lost.

We go to section 4. There are no amendments. Shall section 4 carry? Carried.

Section 5: There are no amendments. Shall section 5 carry? Carried.

Then we get into more interesting territory.

Section 1 of the schedule, and we have PC motion number 4: Ms. Munro.

Mrs. Julia Munro: I move that subsection 1(4) of the schedule to the bill be amended by striking out "between the minimum threshold and the maximum threshold" and

substituting "between \$30,000 and the maximum threshold".

The Chair (Mr. Peter Tabuns): Discussion?

Mrs. Julia Munro: This reflects the idea that, again, came out in the discussions of our deputants with regard to—currently, it is set at less than \$3,500. We think that this is more realistic for people.

The Chair (Mr. Peter Tabuns): Any further discussion? Dr. Qaadri.

Mr. Shafiq Qaadri: Thank you, Mr. Chair. I thank our honourable colleagues for presenting PC motion 4.

I might just, at the outset, respectfully ask if they'd like to consider amendments 4 to 9 as a block because, interestingly, the only variation that I can detect is the minimum threshold—and it seems they're trying every avenue from \$30,000 to \$25,000 to \$20,000 to \$15,000 to \$10,000. I think the spirit of each of those is precisely the same. So I just wonder if they'd consider voting on PC amendments 4 to 9 as a block.

The Chair (Mr. Peter Tabuns): Is there any further discussion?

Mrs. Gila Martow: I think that the discussion should be focused on why you think that it's acceptable to take money out of the pockets of students, because that's what it will be if it's \$3,500—a lot of students are making \$3,500 and just trying to get by and pay their tuition and their expenses. Why would you think that it is somehow fair to expect somebody who is still in school to now be losing income towards their retirement? It's a noble cause but we all know that part of that income that they will be losing will be going to expenses to run a huge administration. I think that that's what we're addressing. It's just low-income people—to actually look at people in the face and say, "You're making \$10,000 or \$20,000 a year, and you can afford to lose a chunk of that."

I think that's the reflection; that we feel that it should be \$30,000, but if you're comfortable looking at somebody who's making \$30,000 and saying, "No, you can lose \$1,200 a year off your family's budget," and if you're comfortable looking at someone who's making \$25,000 or \$20,000, then I'd be interested in hearing your answer to that.

Mr. Shafiq Qaadri: Sure—

The Chair (Mr. Peter Tabuns): Dr. Qaadri, I have Ms. McGarry and Ms. Mangat ahead of you on my list.

Mrs. Kathryn McGarry: Thank you. It's hard to see along the row here.

Thank you for your comments. I believe that we're looking at trying to address motions number 4 through 9, but I think overall it's just a premature discussion right now. The minimum income threshold hasn't been set yet. There are still consultations and analyses going on. That minimum income threshold is one of the key design issues under discussion right now. So it's just a little bit premature at the moment because that analysis has not been completed yet. Thank you.

The Chair (Mr. Peter Tabuns): Okay. Ms. Mangat.

Mrs. Amrit Mangat: Thank you, Chair. I'm going to reiterate what my good friend Kathryn McGarry has said:

We have not set that threshold. We are consulting on the final details. So this design detail will be outlined in future legislation.

The Chair (Mr. Peter Tabuns): Thank you. Dr. Qaadri.

Mr. Shafiq Qaadri: Yes, thank you, Mr. Tabuns. My original request, actually, was to have PC motions 4 to 9 considered as a block as they seem to be—I'm not sure if we want to call it gamesmanship or just kind of a random draw. As I say, the only material difference between these amendments is the amount specified: \$30,000, \$25,000, \$20,000, \$15,000, \$10,000 and \$5,000.

I should mention that individuals who are employed, whether they be students or otherwise, do already contribute to the CPP. Obviously, the longer they contribute to either of the pension plans, whether it's the ORPP or the CPP, by the magic of compound interest, they will of course accrue more benefits.

As my colleagues have stated, whether it's the consultation paper, the round tables or the various discussions that are under way internally—by the way, the consideration of, I think, probably several hundred written submissions that we've received from the people of Ontario—this issue of the minimum threshold is still to be decided upon.

So I would urge PC motions 4 to 9 to be considered as a block so that we can get to substantive work, and not just play numbers here.

The Chair (Mr. Peter Tabuns): The members have the right to move motions and they can move them in order as they see fit. They're moving them one at a time, I understand, and that's the way we will go forward. Ms. Munro?

Mrs. Julia Munro: I just wanted to say that this amendment demonstrates the importance of the kind of conversation that the government has indicated that it's going to have. We want to give more clarity to the process right now so that people potentially could have a sense of where this government is going. Instead, it's obviously going to be left, as we've heard, for a later date.

1430

The Chair (Mr. Peter Tabuns): Okay. Further discussion? Mr. Qaadri.

Mr. Shafiq Qaadri: Mr. Chair, just before we proceed to the vote, am I to take it, with the number of amendments being presented by the PC Party, that they would be agreeable to set this minimum threshold anywhere from \$30,000 to \$5,000 in just a kind of random lottery draw here? Is that financial planning? What is that?

Mrs. Gila Martow: I think that it's fair to say that our first choice is the first number, which is \$30,000. We understand that you may not support that, so we weren't going to give one number and then just leave it at that. So \$3,500 is not acceptable to us. We feel the minimum should be \$30,000. The closer we get to \$30,000 the happier we'll be. I think it's fairly obvious—I'm not sure why you're finding it so difficult to understand.

In terms of your earlier comments, I would just add that people are paying taxes, and if somebody is paying 30% income tax—well, let's just make it 31%. That shouldn't hurt them; they're already paying 30%. They're already contributing to CPP and losing part of their paycheque, so let's take another chunk away. Well, they're already paying 31%. Well, let's make it 40%, let's make it 50%. Why don't we just charge people 99% income tax and call it a day, and they will have nothing left to live on. You know, that kind of logic escapes me.

The Chair (Mr. Peter Tabuns): Thank you. I have Ms. McGarry and then Dr. Qaadri.

Mrs. Kathryn McGarry: Thank you, Chair. I just wanted to remind the member opposite that there are hundreds of submissions and there is an extensive consultation process under way. It hasn't been completed; the analysis hasn't been completed.

I would think that if we moved forward, as a committee, to pass these amendments on a minimum income threshold, it wouldn't respect the public process that's already under way. We would negate the submissions and the public consultation in moving forward before that analysis was completed. That's what worries me. I'm going to move against this.

The Chair (Mr. Peter Tabuns): You're going to vote against it?

Mrs. Kathryn McGarry: Yes. Sorry, vote against it.

The Chair (Mr. Peter Tabuns): Okay. Dr. Qaadri?

Mr. Shafiq Qaadri: Thank you. I would echo my colleague. Proceed with the vote now.

Mrs. Gila Martow: Let's proceed with the vote.

The Chair (Mr. Peter Tabuns): You're ready to vote? We are voting on motion 4. All those in favour? All those opposed? It is lost.

We go to PC motion 5: Ms. Martow.

Mrs. Gila Martow: I move that subsection 1(4) of the schedule to the bill be amended by striking out "between the minimum threshold and the maximum threshold" and substituting "between \$25,000 and the maximum threshold".

The Chair (Mr. Peter Tabuns): Further discussion? None? Seeing none—

Mr. Shafiq Qaadri: Same vote from the government side for precisely the same reason.

The Chair (Mr. Peter Tabuns): We are voting on motion 5. All those in favour? All those opposed? The motion is lost.

We go to PC motion 6.

Mrs. Gila Martow: I move that subsection 1(4) of the schedule to the bill be amended by striking out "between the minimum threshold and the maximum threshold" and substituting "between \$20,000 and the maximum threshold".

The Chair (Mr. Peter Tabuns): Discussion? I've got Ms. French and Ms. McGarry. Ms. French?

Mrs. Kathryn McGarry: I don't need to speak.

Ms. Jennifer K. French: I think, as we've seen with motions 4 through 9, setting this higher minimum income threshold is going to mean that lower-income workers are

not going to have the same level of benefit, which is why we're not supporting it. I'd also like to, of course, be on record saying that the minimum income threshold should mirror the CPP, which is why we won't be supporting it.

The Chair (Mr. Peter Tabuns): Okay.

Ms. Jennifer K. French: Any of them.

The Chair (Mr. Peter Tabuns): Any further discussion on this matter? Then you're ready to vote? We are voting on motion 6. All those in favour? All those opposed? It's lost.

PC motion 7.

Mrs. Gila Martow: I move that subsection 1(4) of the schedule to the bill be amended by striking out "between the minimum threshold and the maximum threshold" and substituting "between \$15,000 and the maximum threshold".

The Chair (Mr. Peter Tabuns): Any further discussion? There being none, are members ready to vote? We're voting on motion 7. All those in favour? All those opposed? It's lost.

We go to PC motion 8: Ms. Munro.

Mrs. Julia Munro: I move that subsection 1(4) of the schedule to the bill be amended by striking out "between the minimum threshold and the maximum threshold" and substituting "between \$10,000 and the maximum threshold".

The Chair (Mr. Peter Tabuns): Any further discussion? Seeing none, members are ready for the vote on motion 8? All those in favour? All those opposed? It is lost.

PC motion 9: Ms. Munro.

Mrs. Julia Munro: I move that subsection 1(4) of the schedule to the bill be amended by striking out "between the minimum threshold and the maximum threshold" and substituting "between \$5,000 and the maximum threshold".

The Chair (Mr. Peter Tabuns): Any discussion? Members are ready to vote on motion number 9? All those in favour? All those opposed? It's lost.

We go to PC motion 10.

Mrs. Gila Martow: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "0.2 per cent".

The Chair (Mr. Peter Tabuns): Any commentary?

Ms. Martow, did you want to speak to it?

Mrs. Gila Martow: I just want to comment that by reducing the overall contribution rates from employers to employees, we would reduce the amount of money both groups would have to pay.

The logic is similar to what my colleague down the table from the NDP just said: that if the minimum for the CPP is \$3,500, then we should have the same minimum. The same logic I'm saying is that people are already contributing to a pension plan—the CPP is taking part of their income. They're paying higher energy costs. They're paying tuition. They're paying expenses. They're paying for their kids. So to say, "Well, you're already paying towards CPP. So even though you're a low-income earner, then you should be able to pay for an

Ontario pension plan" is really a little bit of silly logic, in my opinion, and the same reason here: that people of such low income then should lose a percentage of their income again is really hurtful to a lot of low-income earners, I believe.

The Chair (Mr. Peter Tabuns): Any further discussion? Ms. McGarry.

Mrs. Kathryn McGarry: Thank you very much. Really and truly, the intent of the Ontario Retirement Pension Plan is to supplement the existing retirement savings of all Ontarians by providing a predictable, lifelong stream of retirement income for all the eligible workers. So in order for the pension plan to be fully funded, the rate must be based on sound actuarial analysis. Therefore, we need to continue with the bill as written.

The Chair (Mr. Peter Tabuns): Thanks, Ms. McGarry. Any further commentary?

Mr. Shafiq Qaadri: Yes, Mr. Tabuns.

The Chair (Mr. Peter Tabuns): Dr. Qaadri.

Mr. Shafiq Qaadri: I have to say, with respect to my colleagues opposite, this seems to be another series—nine, in fact—of motions being presented by the PC side which seem to be, once again, a random lottery draw. They're now asking for the ORPP contribution to range, in these nine motions, from 0.2% to 0.6% to 1% to 1.4% to 1.8% to 2.2% to 2.6%. I don't think this is really sound financial planning.

The retirement plan eventually is striving to replace something on the order of approximately 15% of pre-retirement income, and there has to be a certain reasonable percentage divided, as you know, between employers and employees, 1.9% each, that will establish that, will achieve that. So the government will not be supporting either this or the subsequent nine motions.

The Chair (Mr. Peter Tabuns): Okay. Further discussion? Ms. Martow.

Mrs. Gila Martow: I'll continue to say that we want to read in our motions and vote on our motions separately.

Again, it was this government's choice. They're convincing people to lose part of their income to put away for retirement savings. They still need money to live on today, and it may be that they're going to step up to the plate and find that magic money tree that apparently some people seem to think they have hidden somewhere and maybe top up people with some kind of credit, some kind of income tax reduction, some kind of free transit plan to help them make it through their monthly payments, because I look people in the eye and I can see a lot of scared faces looking back at me these days.

The Chair (Mr. Peter Tabuns): Thank you. I don't see any further discussion—Ms. French.

Ms. Jennifer K. French: Just a comment: that certainly 0.2% would make this a minuscule benefit, and we hope that this plan, and any pension, is going to be worthwhile in terms of benefit.

Mr. Shafiq Qaadri: I would salute the NDP voice of reason.

The Chair (Mr. Peter Tabuns): We're ready to vote? Okay. We are voting on PC motion number 10. Shall the motion carry? All those in favour? All those opposed? The motion is lost.

We'll go to PC motion 11.

1440

Mrs. Julia Munro: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "0.6 per cent".

The Chair (Mr. Peter Tabuns): Any discussion?

Mrs. Julia Munro: I would just add that if we had begun with a fully costed business plan, we wouldn't need this conversation.

The Chair (Mr. Peter Tabuns): Fair enough. Any other discussion? People are ready to vote on motion 11? All those in favour? All those opposed? It is lost.

We go to PC motion 12.

Mrs. Gila Martow: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "1.0 per cent".

The Chair (Mr. Peter Tabuns): Any discussion? Members are ready to vote? All those in favour of motion 12? All those opposed? The motion fails.

We go to PC motion 13.

Mrs. Julia Munro: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "1.4 per cent".

The Chair (Mr. Peter Tabuns): Discussion? Seeing none, members are ready to vote? All those in favour? All those opposed? It's lost.

PC motion 14.

Mrs. Gila Martow: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "1.8 per cent".

The Chair (Mr. Peter Tabuns): Further discussion? Members are ready for the vote? All those in favour of motion 14? All those opposed? Motion 14 is lost.

Motion 15: Ms. Munro.

Mrs. Julia Munro: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "2.2 per cent".

The Chair (Mr. Peter Tabuns): Further discussion? Seeing none, are members ready for the vote? We are voting on motion 15. All those in favour? All those opposed? It is lost.

We go to PC motion 15. Ms. Martow.

Mrs. Gila Martow: Fifteen? We just voted on 15.

The Chair (Mr. Peter Tabuns): Oh, sorry. My apologies—16. My apologies, colleagues.

Mrs. Gila Martow: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "2.6 per cent".

The Chair (Mr. Peter Tabuns): Further discussion? Members are ready for the vote? We're voting on motion 16. All those in favour? All those opposed? It is lost. Some things become predictable.

We are moving to PC motion 17: Ms. Munro.

Mrs. Julia Munro: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "3.0 per cent".

The Chair (Mr. Peter Tabuns): Any discussion? Members are ready for the vote? We're voting on motion 17. All those in favour? All those opposed? It is lost.

We'll go to PC motion 18: Ms. Martow.

Mrs. Gila Martow: I move that subsection 1(6) of the schedule to the bill be amended by striking out "3.8 per cent" and substituting "3.4 per cent".

The Chair (Mr. Peter Tabuns): Further discussion? Mr. Qaadri.

Mr. Shafiq Qaadri: Mr. Chair, I would just simply add that I think the government does find it remarkable that the PCs were willing to settle for a percentage that varied from 0.2% to 17 times that: 3.4%. I really have to wonder about the economic stewardship of the numbers that you're running there. In any case, the government is not going to support this.

Mrs. Gila Martow: Well, that's your option.

The Chair (Mr. Peter Tabuns): Any further discussion? None? Are members ready to vote? We're voting on motion 18. All those in favour? All those opposed? It is lost.

We now go to PC motion 19: Ms. Munro.

Mrs. Julia Munro: I move that section 1 of the schedule to the bill be amended by adding the following subsection:

"Opting out of Ontario Retirement Pension Plan

"(8) The obligations in this section do not apply in respect of eligible employers or eligible employees who opt out of enrolment in the Ontario Retirement Pension Plan in accordance with the regulations."

The Chair (Mr. Peter Tabuns): Thank you, Ms. Munro. The Clerk has a comment.

Interjection.

The Chair (Mr. Peter Tabuns): We need to check with legal counsel for one moment.

Interjections.

The Chair (Mr. Peter Tabuns): Excuse me, members? Could I call for a brief recess? I need to talk with legal counsel. Five minutes, maximum.

The committee recessed from 1446 to 1451.

The Chair (Mr. Peter Tabuns): Members of the committee, I've been advised that this motion is indeed out of order. One of your previous PC motions that lost would have been required for this motion to actually have consequence. Given that the previous one failed, this is redundant and out of order.

We then move on to NDP motion 19.1. Ms. French.

Ms. Jennifer K. French: Yes, thank you. I move that section 1 of the schedule to the bill be amended by adding the following subsection:

"Defined benefit plan

"(8) The Ontario Retirement Pension Plan shall be a defined benefit plan."

The Chair (Mr. Peter Tabuns): Any discussion?

Ms. Jennifer K. French: Certainly we know that defined benefit plans are preferable and are going to

provide the most stability to more workers. We know that even with defined benefit pension plans—they’re not always secure, so we’d like it to be as secure as possible in making the ORPP a defined benefit plan.

The Chair (Mr. Peter Tabuns): Any further discussion? Dr. Qaadri.

Mr. Shafiq Qaadri: Thanks to Ms. French for her presentation of NDP motion 19.1. Though the government will be voting against this, we do take the spirit of her motion under advisement.

I think what can be said is—I refer you, by the way, to the preamble of Bill 56. A number of the features of a defined benefit plan, whether it’s, for example, pooling longevity risk, investment risk; the mandatory contributions, which will be shared equally between employers and employees; of course, the setting of the threshold; and a cost-effective, arm’s-length administration—these are, in fact, key features of most defined benefit pension plans. Some of the specifics are yet to be worked out. Again, as my colleagues have referred to, that is part of the ongoing public consultations, the screening and the codification of the massive number of submissions that we have been receiving.

So we take the issue under advisement. We do see the value in the defined benefit plan, and that’s why we’ve attempted to institute a number of its key features in the ORPP. But the government will not be supporting this.

The Chair (Mr. Peter Tabuns): Madame Lalonde.

Mrs. Marie-France Lalonde: I just would also like to remind everyone that when you think about the ORPP and what the plan is about, it’s about that predictability of a stream of income that is paid for life. That’s what we want, right? We want to make sure that the people who are contributing know and can depend, at one point in their life, on being able to continue contributing to our economy. I just want to make sure that this is noted.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: In the spirit of some of what we read in the government’s discussion paper, comparing different possible options, we could see that the defined benefit plan was really the preferred route. We were just hoping to make it official and go forward. So that’s disappointing.

The Chair (Mr. Peter Tabuns): Further discussion? There being none, members are ready to vote?

Ms. Jennifer K. French: Recorded vote.

The Chair (Mr. Peter Tabuns): Recorded vote. We’re voting on motion 19.1.

Ayes

French.

Nays

Anderson, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The motion fails.

Shall section 1 of the schedule carry? All those in favour? Opposed? It’s carried.

We go to section 2 of the schedule, and we go to PC motion 20: Ms. Munro.

Mrs. Julia Munro: I move that paragraph 1 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

“1. The individual is 25 years of age or older and under 70 years of age.”

The Chair (Mr. Peter Tabuns): Any discussion?

Mrs. Julia Munro: The motion represents the concern about age exemption. Young people, particularly, are in the position of perhaps educational debts and various things like that. This would serve to recognize that they have special financial issues at this point in time.

The Chair (Mr. Peter Tabuns): Further discussion? Dr. Qaadri?

Mr. Shafiq Qaadri: Yes, thank you, Mr. Chair. A number of issues to state at the outset: It is the intention—quite deliberate, of course—of the government to mirror in the Ontario Retirement Pension Plan certain parameters of the Canada Pension Plan, the CPP, meaning the age spread being 18 to 70 years of age.

This is done deliberately, not only for administrative purposes but also for data collection and perhaps also for future potential amalgamation of these two plans.

The other thing is, I would just simply cite that the seven amendments that are coming forward, motions courtesy of the PC Party, seem to once again be a sort of random lottery draw. As far as I can see, the only difference between motions 20 to 26 inclusive is the age eligibility set at 25 years, 24 years, 23 years, 22 years, 21 years, 20 years and 19 years.

Once again, you know, I really question—I’m not sure that I can question the motive or at least the sensibility of it, but in any case, the government will not be supporting this.

The Chair (Mr. Peter Tabuns): I’ll start with Ms. French. I’ll go to Ms. Martow and then Ms. Munro.

Ms. French.

Ms. Jennifer K. French: No, we would not be supporting this next series of motions. By disqualifying more and more people, then you’d have fewer people in the plan, and that’s the wrong direction. Also, it hurts young workers, so that isn’t something we can abide by.

The Chair (Mr. Peter Tabuns): Ms. Martow?

Mrs. Gila Martow: Yes, it certainly does hurt young workers, but not for the reason that you’re mentioning. It hurts young workers because they’re already contributing to the CPP, and they are already having to face higher tuition and higher living expenses than we had to when we were students.

I don’t think it’s a random draw. If you feel that the age of 18 is too young and the age of 26 is ideal, I think it’s not a stretch to imagine that while you would prefer it to be 26, your next choice would be 25 and the next choice would be 24. I don’t see that that as so difficult to understand.

I would remind everybody once again that just because somebody is contributing to CPP, and they're paying municipal taxes, provincial taxes, federal taxes, gas taxes and now they're going to pay a carbon tax—that it means that they have money left for an Ontario pension plan. Unfortunately, too many people are struggling, and this is going to be another hardship.

I think that if we made the economy robust, if we made a lot of great-paying jobs out there, if we lowered people's expenses that they had to pay per month, whether it be taxes or hydro bills or whatever, then if we wanted to have this kind of discussion, that would be fair game, but I think that we're just putting another nail in the coffin of Ontario.

The Chair (Mr. Peter Tabuns): Ms. Munro?

Mrs. Julia Munro: I'd just like to comment on a couple of points that were made earlier. The notion that these numbers are perhaps random, and "Is this a lottery?", I guess, demonstrates what the fundamental concern is that we have, and that is, there is no business plan. If there was a proper business plan, the government would have no difficulty in providing an accountable program and model that would take care of the conversation that these amendments represent. These amendments come out of the lack of knowledge and the lack of transparency that this bill represents. That's why they're here.

1500

The Chair (Mr. Peter Tabuns): Thank you, Ms. Munro. Further discussion? Seeing none, the members are ready to vote? We're now going to be voting on motion 20. All those in favour? All those opposed? It's lost.

PC motion number 21: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 1 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"1. The individual is 24 years of age or older and under 70 years of age."

The Chair (Mr. Peter Tabuns): Discussion? No further commentary—Dr. Qaadri, sorry.

Mr. Shafiq Qaadri: I would simply say, Mr. Chair, that our honourable opponents on the PC side have themselves said that they would like to, first of all, see not only the expansion but, perhaps, this thing eventually—the ORPP—be subsumed within the CPP. We're actually at least setting one of the parameters to potentially eventually do exactly that. That's why the age spread here mirrors the CPP: 18 to 70. So it seems to me that they're undermining their own supposition made previously.

The Chair (Mr. Peter Tabuns): Thank you, Dr. Qaadri. Ms. Martow?

Mrs. Gila Martow: I think that if that is your logic and you feel that it has to mirror age requirements exactly then maybe you can make the adjustment so that people aren't contributing such a big chunk of their income to the plan.

Until you achieve your final goal, which is some kind of amalgamation, it boggles my mind that you feel that

students can contribute to a CPP and contribute to an Ontario pension plan on top of their rising expenses.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow. Seeing no further discussion, are members ready to vote? We're voting on motion number 21. All those in favour? All those opposed? It's lost.

We go to PC motion 22: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 1 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"1. The individual is 23 years of age or older and under 70 years of age."

The Chair (Mr. Peter Tabuns): Discussion? Seeing none, the members are ready to vote? We're voting on PC motion 22. All those in favour? All those opposed? It's lost.

We go to PC motion 23: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 1 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"1. The individual is 22 years of age or older and under 70 years of age."

The Chair (Mr. Peter Tabuns): Discussion? Seeing none, members are ready for the vote? We'll be voting on motion 23. All those in favour? All those opposed? It's lost.

We move to PC motion 24: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 1 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"1. The individual is 21 years of age or older and under 70 years of age."

The Chair (Mr. Peter Tabuns): Discussion? Seeing none, the members are ready for the vote? We are voting on motion number 24. All those in favour? All those opposed? It is lost.

We go to PC motion 25: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 1 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"1. The individual is 20 years of age or older and under 70 years of age."

The Chair (Mr. Peter Tabuns): Any discussion? Seeing none, the members are ready to vote? We are voting on motion 25. All those in favour? All those opposed? The motion is lost.

We go to PC motion 26: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 1 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"1. The individual is 19 years of age or older and under 70 years of age."

The Chair (Mr. Peter Tabuns): Discussion? Mr. Fedeli?

Mr. Victor Fedeli: Recorded vote, please.

The Chair (Mr. Peter Tabuns): You'll want a recorded vote?

Mr. Victor Fedeli: Yes.

The Chair (Mr. Peter Tabuns): Any further discussion? Dr. Qaadri?

Mr. Shafiq Qaadri: Thank you, Mr. Chair. I commend the PC Party for, perhaps, in the evolution of their thinking that we are witnessing here, to come closer and closer to what our original stated plan was, which is 18 to 70.

The Chair (Mr. Peter Tabuns): Thank you, Dr. Qaadri. Any further commentary? Seeing none, the members are ready to vote? We are voting on motion number 26. Recorded vote.

Ayes

Fedeli, Martow.

Nays

Anderson, French, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The motion is lost. We go to PC motion 27: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 5 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

“5. The individual is not a member of a group registered retirement savings plan.”

The Chair (Mr. Peter Tabuns): Would you like to comment further?

Mrs. Gila Martow: I think it's fairly self-explanatory. If somebody is already a member, they should be exempt. What we were hearing from a lot of deputants in the last couple of weeks is that people are terrified, because they have some very good plans which are topped up by their employers, very well run and very well invested. They're terrified that they are going to be forced to either have two Ontario plans of some kind plus a federal CPP plan, or they're going to have to give up what they consider a lucrative retirement savings plan that's performing well for something that's going to be a big dinosaur.

The Chair (Mr. Peter Tabuns): Further discussion? Ms. French, then Mr. Fedeli.

Ms. Jennifer K. French: Yes, thank you. There isn't anything that's comparable to the CPP, so I don't think that there should be anything comparable to the ORPP in terms of plans eligible for exemption. Certainly, in this case, RRSPs are a tool for savings and investment, but they can't be considered pensions, especially in the case of being considered exempt, so we wouldn't be supporting this.

The Chair (Mr. Peter Tabuns): Mr. Fedeli?

Mr. Victor Fedeli: Thank you. Many of the RRSP pension plans are higher than the 3.8% contribution, and I think that's why they should be exempt from this.

The Chair (Mr. Peter Tabuns): Further discussion? Dr. Qaadri?

Mr. Shafiq Qaadri: Thank you, Mr. Chair. To my colleagues I would say that, as you know, the pension

landscape, with the complexity that it has—it is precisely for this reason that the government is currently consulting on this issue, considering the thousands of written submissions and essentially processing all of the information that we've received on stakeholders to precisely define what is or is not a comparable plan, and therefore would be including or excluding individuals from the ORPP. I think at this point this motion and motions 27 to 31 inclusive are premature, and therefore the government will not be supporting them.

The Chair (Mr. Peter Tabuns): Thank you, Dr. Qaadri. Any further comments? There being none, are people ready for the vote? We are voting on PC motion 27. All those in favour? All those opposed? The motion is lost.

We go to PC motion 28: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 5 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

“5. The individual does not have a registered retirement savings plan.”

I think that's sort of what's apparent. We had a Mr. McEwen visit us just last week—the week before the break, sorry. He has cleaned out his retirement savings, pretty much, because he had a stroke. He was under 65, he needed a lot of rehab and the government wasn't covering it. He wasn't aware that he had to take out special insurance in case he had a stroke under the age of 65, and he's not going to be covered until he is 65.

That's the crux of the matter. These are people who invested well. They had RRSPs, but they've lost their jobs. They have high expenses. They lost their company because of high expenses. They've had a stroke under 65. The list goes on and on, and they're having to cash in their RRSPs. That's the real crux of the matter: People are retiring without their full RRSPs that they planned on.

It was a great investment. They had employers who topped up—perhaps they put in \$5,000 a year and their employer put in \$5,000, or some plans are even more generous than that. It was fantastic. It was a fantastic savings model, but the problem is we're giving with one hand but taking away with the other. That's the real crux of the matter.

The Chair (Mr. Peter Tabuns): I have Dr. Qaadri, and then Mr. Fedeli. Dr. Qaadri?

Mr. Shafiq Qaadri: Thank you, Mr. Chair. At the outset, as mentioned, the government will not be supporting these particular motions, 27 to 31 inclusive. I would just simply say, with respect to my honourable colleague opposite, that by citing an individual who has outlived his retirement savings and is therefore subject to either health risk or longevity risk would seem to my humble mind a reason to actually establish the Ontario Retirement Pension Plan as an additional source of guaranteed income streaming.

1510

Perhaps I'll reread this and see what your format was, but that really would, I think, support the creation of this

particular plan and also not support this particular motion, where you seem to be handing out exemption after exemption and therefore decreasing the viability, strength and funding of this particular plan.

The Chair (Mr. Peter Tabuns): I have Mr. Fedeli and then, Ms. Martow, I'll go to you.

Mr. Victor Fedeli: Thank you, Chair. This group of amendments is supported by the Ontario Chamber of Commerce and the Canadian Federation of Independent Business. We've heard from them countless times, almost to a point of concern and panic that this will go ahead without these amendments. This is, by the Ministry of Finance's own documents, going to cost Ontario 18,000 jobs for every \$2 billion taken out of the system. By their own admission, this could be about a \$6-billion play, which would make the job loss about 54,000 throughout Ontario—and that statistic comes from the Ministry of Finance.

You recall, during the gas plants hearings, when you and I sat in these very chairs, we got that document that was quite revealing, which is why we're so shocked that this program is still being entertained, even after their own ministry deputation.

This particular chapter of changes we're looking at is meant to enhance RRSP use. In many instances, RRSPs have a higher contribution rate than the 3.8%. We know that they also historically pay a higher dividend than what is planned in this ORPP. So I would respectfully ask that we begin to take some of these amendments seriously as we work to try to come to an understanding of what is about to happen to our economy in Ontario.

The Chair (Mr. Peter Tabuns): Ms. Martow.

Mrs. Gila Martow: It brings us back to how, again, we lack a complete business plan. What I'm talking about are dire experiences that people are facing, where they're facing becoming homeless or not getting rehab after having a stroke, versus at least being able to access their registered retirement pension plan and perhaps improve their health enough to be able to go back to work, save their business, save their house if they've lost their job and need to pay their mortgage.

What this government is doing is, it's going to move people from having registered retirement savings plans—because that's going to be the crux of the matter. A lot of people are contributing because their employer is matching or topping up their contributions. They will not have access to an Ontario pension plan if they're 61-years old and have had a stroke and don't get rehab until they're 65. What is it that the members opposite are suggesting for somebody who is facing dire consequences, who's facing tripling energy costs in their business, and they need to get some new equipment or close? What are they suggesting those people do if they no longer have an RRSP to go to?

Yes, it's not ideal. Yes, I see the sort of sarcastic comment, "Well, you see, we needed to lock up that RRSP so he wouldn't have had access to it. He would have been better off being left in a wheelchair for the rest of his life or not having his rehab than being able to access his retirement savings."

The Chair (Mr. Peter Tabuns): I have Madame Lalonde and then Mr. Anderson. Madame Lalonde.

Mrs. Marie-France Lalonde: It's interesting, what the member opposite is discussing. It's a very unfortunate situation for this particular individual, but let's not forget what this ORPP is all about.

I've heard—and I'm sure you were in the same hearing that I was—several organizations. We've heard from different organizations stating that there was over \$280 billion of unused RRSP contributions on a voluntary basis.

When you talk about who we want to help and why we're doing this ORPP, it's exactly for the reason of the case that you're bringing forward. By having a young generation contributing into a plan—at this point, according to all our stats, most individuals in Ontario do not have access to a pension plan in their workplace—we want to make sure that as they're aging, they have the capacity of continuing to contribute to this economy.

I also heard, during the same deputation, that individuals at age 60, when it becomes time with their current plan, it was not sufficient for retirement and they had to go back to work because, unfortunately, the plan they're on is based on a volatile market which changes every day.

If I'm going to think of the people of Ontario and make that enlightened decision, I'm sure that when 18-year-olds retire at 65 and when they'll have a predictable source of income that they can contribute back to the economy, I would say that they'll be on our side.

The Chair (Mr. Peter Tabuns): Mr. Anderson.

Mr. Granville Anderson: Yes. Just to elaborate: Mr. McEwen is a constituent of mine, and we understand. No one understands his situation more than me. I do. Actually, he's a parishioner at my church as well.

What happened is that he wants additional physiotherapy. After you reach MMR, doctors will tell you that there's nothing further to be gained by having further physiotherapy. The same principle applies if you're on WSIB. After reaching MMR, you don't get any more physiotherapy. So it's not that we are taking his situation lightly. It's just a reality that if it's not going to do anything further to enhance his ability to recover, then it's cut off at that point.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Anderson. Ms. French and then Ms. Martow.

Ms. Jennifer K. French: I just think it brings us back to the point that more people need more security in their working years and in their retirement. This group of motions focuses on exclusion rather than inclusion, I think, and of course we can't support that. But we're recognizing that there are individuals who, if they have savings now, they're still at the mercy of the market, and so to give more people the opportunity to have something that is secure—and even when we consider some plans like Nortel and SKD, those were very secure plans but they went bankrupt and the pension was wound up with a shortfall and then they found themselves with futures that were insecure. So whatever we can do to provide more

people with security in their retirement is what we should do.

The Chair (Mr. Peter Tabuns): Ms. Martow.

Mrs. Gila Martow: I think that there's still no business plan, and that's maybe why we can't properly explain to some people that there are people who have fantastic retirement plans and who have contributed to their RRSPs. Actually, the majority of people are saving for their retirement and are doing quite well.

I would respectfully say to the member opposite that the reason people between 20 and 65 aren't getting physiotherapy is not because the doctors are deeming that they don't need physiotherapy; it's because they're just not covered. This government is assuming that everybody has private health insurance that will cover them between those ages, and it is completely false. People are not covered. This is a gentleman who was told by his doctors that he needed rehab, but OHIP does not cover it and he's paying out of his retirement savings. If he did not have retirement savings that he could access, he would not be able to have the rehab that his own doctors are recommending.

We're hearing a lot of discussions that are within little tiny compartments and are not looking at the big picture. The big picture is that nobody is going to be part of the Ontario pension plan if they don't have a job. As my colleague just said, business is terrified. They say that with high energy costs and now this extra tax plus cap and trade, another tax that's being added on, we're going to be losing tens of thousands of jobs. Those are tens of thousands of people who are now working and who will not be working. On top of that, they certainly won't have an Ontario pension plan. I'm wondering what everybody in this room who's speaking so smugly is going to be saying to those people.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow. Dr. Qaadri.

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Mr. Shafiq Qaadri: At the outset, first of all, a number of issues: I would have to respect but also defer the individual who's suffering from stroke and requiring rehabilitation. I don't think this is quite the forum for that discussion. That's one aspect.

Secondly, once again I salute the voice of reason emanating from the NDP side. We have talked about health risk. We have talked about longevity risk. The saviour of the RSP, almost to the tune of \$300 billion of unused contribution room and all its various parameters here, is still subject to market risk, and I think those of us who have RSPs can share stories with regard to how—and perhaps an entire generation of individuals who are going to rely on that RSP and then various crashes—whether it's the dot.com crash etc., have led to kind of an evaporation of a number of those savings.

That is precisely the reason why we are introducing the ORPP in order to pool the risk, to cover against longevity risk, which of course subsumes things like the health risk and the market risk. The government will not be supporting this particular amendment.

The Chair (Mr. Peter Tabuns): Thank you, Doctor. Ms. Mangat.

Mrs. Amrit Mangat: Actually, Chair, Bill 56 is all about encouraging young people to have a secure future. I can understand that young people between 25 and 35 are not saving enough. We also understand that they have to pay their student loans and they have to accumulate money for the mortgage. They have to buy homes and they have to raise families. But as we all know, little drops of water make the mighty ocean. If we save a little bit of money, right at the end you can have a secured future. Many people are not doing that. It is all about encouraging young people to have a secure future. We can imagine the accumulating impact of turning a snowball into a snowman. This is what our government is doing, and we are addressing the problem we see on the horizon.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Mangat. Further discussion? Seeing none, members are ready to vote? We will be voting on motion 28. All those in favour? All those opposed? It is lost.

We go to PC motion 29: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 5 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"5. The individual is not a member of a pooled registered pension plan."

If I just may—

The Chair (Mr. Peter Tabuns): Yes, please, and then Mr. Fedeli.

Mrs. Gila Martow: If I just may say that we've heard from some real experts in the field—financial planners, people who manage enormously successful pension plans—that actually pooled pension plans are fantastic vehicles. They're terrified that people are going to be moved out of pooled registered pension plans and moved into a lesser retirement savings vehicle. I also want to touch on the fact that, again, there is no business plan to really concretely look at what effect this is going to have on jobs, job growth and the Ontario economy.

The Chair (Mr. Peter Tabuns): Thank you. Mr. Fedeli.

Mr. Victor Fedeli: This is an oddity, when you think about the fact that the government themselves are in favour of a PRPP, a pooled registered pension plan, which my colleague and I are also in favour of and Julia Munro, our colleague who is at another function at the moment, brought as a private member's bill.

Bill 57 was actually brought forward by the government, and it is a bill to bring a pooled registered pension plan forward. I have absolutely no idea, Chair, how Bill 57, the PRPP, which we support, can ever be utilized if you're also forced into paying into an ORPP.

We believe that this should be voluntary. We fully support the PRPP. The government supports the PRPP on one hand and, today, takes it away on the other. It just makes no sense to me, Chair, and that's why we'll be supporting amendment 29.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Fedeli. I have Ms. French and then Ms. Martow.

Ms. Jennifer K. French: It seems to be the theme of today that we're repeating some of our same points.

To focus on exclusion rather than inclusion is not something that we support, but specifically, as my colleague from the PCs said, the PC Party and the Liberals both support the idea of pooled registered pension plans. I might sit here alone in the fact that the NDP does not, and so certainly we wouldn't support them as a comparable—and therefore eligible for exemption—plan for Ontarians.

Certainly, pooled registered pension plans—I see that as a misnomer, because they aren't pension plans. They don't oblige an employer to contribute. While they might be a step in the right direction from an RRSP, in that they are pooled—we've heard a lot this session about choice and options for investment. There may be choice for the employers, but not for the employees when it comes to whether or not they're forced to save in these vehicles if their employer—I don't want to use the term "offers"; it's not an offer—commits them to pay into these.

No, we don't support them, nor do we support this motion. Thank you.

The Chair (Mr. Peter Tabuns): Ms. Martow and then Madame Lalonde.

Mrs. Gila Martow: I just want to mention that we've heard quite a few comments about how this plan is going to be so well invested. We heard from the government themselves that the plan seems to be to invest in infrastructure, which might be great for the government, because they made the promise to invest in infrastructure, and they're looking for where to find that money tree to actually pay for the projects.

But the experts who we should be looking at to decide how any money is invested might not think that infrastructure in Ontario is a great investment, unless it's more toll roads where the average person is going to have to be paying.

So on the one hand, they're going to be putting that money away for their retirement, and then they're going to be spending all this extra money, paying for trains or whatever plan the government has for infrastructure, and private investment is going to need to recoup their investment.

Again, where is the business plan? Where is the proof that this pension plan is going to be better invested than many of the other pension plans?

I think that part of the problem is, it's a little bit like the media, where you don't read in the newspaper, on the front page, about good parents and good teachers. It's not exactly eye-catching and, I suppose—and it's sad to say—it's not considered news. Similarly, we don't hear from constituents who have great savings plans, who have been putting away for their RRSPs, who bought RESPs for their kids and who are just paying down their mortgage and doing all the right things.

The government should be leading the way and showing people how to live debt-free and invest in the right things and follow a budget.

Instead, we're hearing from constituents who are facing problems. We all know that, a lot of times, it's not

problems of their making, but sometimes it is that they didn't put away for a rainy day, and they had to have the boat or the cottage and things like that. I think that we're adults. I think that we should recognize that, a lot of times, the constituents we're hearing from are the ones who are having problems. We shouldn't use a sledgehammer when we could just use a fly swatter.

Yes, there are people who maybe need some help saving, and maybe we have to look into how we can sit down with people, one by one. Maybe we can have some type of social workers. We need to employ people and farm them out and sit down with people, one by one, and have those discussions.

The people who are saving and doing it all right, or who have great pensions that are locked up tight, and they're investing in their RRSPs and paying down their mortgage—great. But for the others, maybe the government has to provide some financial advice.

The Chair (Mr. Peter Tabuns): Madame Lalonde.

Mrs. Marie-France Lalonde: I would just like this committee to go back to motion 29 and maybe refer to the PRPP as being a complementary and certainly not a comparable plan.

When you talk about retirement and retirement security, it is a complex issue. People have choices as to how they're going to invest their money. As you know, unfortunately, they're not always choosing to save on a voluntary basis.

For me, this plan, the ORPP, is definitely something that we need to focus on, not make complementary. We have to make sure that people choose to retire, and choose to pay into their retirement. I hear all the time that you're referring to how we're going to use this money. It's an entity that's going to be at arm's length from the government. For that reason, certainly, I don't feel comfortable in supporting motion 29.

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The Chair (Mr. Peter Tabuns): I have Dr. Qaadri, then Ms. French and then Ms. Martow. Dr. Qaadri?

Mr. Shafiq Qaadri: Thank you, Mr. Chair. Just to offer the codification, meaning the actual clauses in which it specified what Madame Lalonde just said regarding the administrative entity that will be created to administer this particular pension plan, I refer you to paragraph 2 of subsection 2(2). It says, "Collection of contributions: The administrative entity shall collect from eligible employers the contributions on behalf of the eligible employers and the eligible employees." Dropping down to paragraph 4 of subsection 2(2), with reference to holding the contributions, "The administrative entity shall hold the contributions, and any accruals from the investments, in trust for the members and other beneficiaries of the Ontario Retirement Pension Plan. The contributions and the accruals shall not form part of the Consolidated Revenue Fund."

We will not be supporting this particular amendment.

The Chair (Mr. Peter Tabuns): I have Ms. French and then Ms. Martow. Ms. French?

Ms. Jennifer K. French: I just appreciated hearing the government say, a speaker ago, that the PRPPs should

be considered complementary, not comparable plans. I just wanted to hear that again. I like that. Thank you.

The Chair (Mr. Peter Tabuns): Thank you. Ms. Martow?

Mrs. Gila Martow: I would just mention that Ms. Lalonde—I guess we're allowed to say each other's names here—mentioned choosing. She said the word "choose." I just want to remind her that there is no choice here. That's the whole point. That's what the whole concern is on this side of the room—or in our corner—is that there is no choice. You said that people should be able to choose for their retirements. Well, I would want you to go back and maybe look at what you just said, because I'm pretty sure that—peut-être mon français n'est pas excellent, peut-être c'est une question de vocabulaire. Maybe it's a question of choosing the words—there, choosing.

In terms of arm's-length, I would also remind her that it was your government who said that you're looking into an Ontario pension plan so that you can invest in Ontario infrastructure projects. Well, as soon as we hear that, even if it's arm's-length—obviously the people who agreed to manage it have already been told, "This is what we're expecting of you." If we really, truly wanted it to be arm's-length, then we shouldn't have been making those kinds of announcements.

We heard during election campaigns that taxes will not be raised, that there won't be a carbon tax. Here we're seeing taxes being raised, we're seeing a carbon tax, and we're seeing hydro possibly being sold off. This is reason for concern for the average resident of this province.

I haven't said it to this committee, but I know I've said it to other committees, that when I canvassed I met a gentleman who was renting a house, a small bungalow, in Markham. He said to me, "What a mess! Is this province in a mess. When I first moved here from the Maritimes, I moved here because this was the best province economically. I could get the best rates per hour for my job." He was a plumber or an electrician—I'm not sure that I even asked him. He paid the lowest taxes, so it was, "What a great place," and he could rent a house and he didn't pay high electricity bills.

Well, everything has turned on its head, and now he feels that maybe it's time to move somewhere else. His attitude is, "I don't care what kind of debt they rack up. I'll just move somewhere else." I think that's the problem. That's why too many people don't care and don't really understand what it means that every man, woman, child and baby being born today owes over \$20,000 now, that we're paying \$29 million a day just to service the debt, and their attitude is that they're going to move. That's their attitude, for a lot of people. They will move somewhere else.

It's a sad reality that we were the driving force of Confederation and now we're lagging. We're bringing the country down in terms of unemployment. It's time to get our house in order and to demonstrate to people how to balance the books and how to save. That's what we're

here to talk about. We're talking about saving, so let's show them how to save.

The Chair (Mr. Peter Tabuns): I have Madame Lalonde and then Ms. French. Madame Lalonde.

Mrs. Marie-France Lalonde: Just for the record—maybe it is the French grammar or vocabulary; I'm not sure—certainly PRPP is voluntary, and I know that our ORPP is something that we're moving forward as mandatory. The reason, actually, as I said several times during this great moment in committee, is because of the unused portion that people on a voluntary basis do not commit—just for your record.

The Chair (Mr. Peter Tabuns): Members, I would just ask that everyone speak to me.

Mrs. Marie-France Lalonde: I apologize. I'm sorry, Chair.

The Chair (Mr. Peter Tabuns): No, no. That's—

Mrs. Marie-France Lalonde: I don't want to undermine your role. You're doing a fantastic job.

The Chair (Mr. Peter Tabuns): I understand, and I appreciate your support. It will be more orderly; that's all.

Ms. French.

Ms. Jennifer K. French: Yes, thank you, Mr. Chair. It's nice to see you, and I'm certainly pleased to address you, but I would also like to address some of what we've just been talking about in terms of arm's-length.

While we appreciate the assurances we're getting from the government that the funds will be held at arm's length, assurances aren't guarantees. We want to be clear that we want the pensions for the people, not just for infrastructure or for the government—not only "not just"; we want it for the benefit of the people in terms of a pension. That's all.

The Chair (Mr. Peter Tabuns): Thank you, Ms. French. I see no further discussion. Members are ready for the vote? Okay. We are voting on motion number 29. All those in favour? All those opposed? The motion is lost.

We go to PC motion 30: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 5 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"5. The individual is not a member of a registered retirement savings plan that provides defined contribution benefits."

The Chair (Mr. Peter Tabuns): Thank you. Did you have any comment on that?

Mrs. Gila Martow: Just that this amendment would expand the definition of a comparable plan to include Registered Retirement Savings Plans that provide defined contribution benefits. Any employer or employee, respectively, providing or contributing to the said plan would be exempt from paying into the ORPP.

Just like we've been repeating over and over, people have some fantastic pension plans out there. Again, those aren't the ones who are showing up in our constituency offices to complain or to compliment their employer. We're hearing from the people who don't, and we're

very concerned that people are going to be trading a better plan for a lesser plan.

The Chair (Mr. Peter Tabuns): I have Mr. Fedeli and then Ms. French.

Mr. Victor Fedeli: Thank you very much, Chair. We have been putting in this last grouping separate amendments for each of these enhancements—what we would call enhancements—to the program. We've allowed the government an opportunity to include one of the amendments or one of the plans that they find most appealing to augment this program, if it passed, and they can reject the ones that would be deal-breakers, if you will. I would encourage the government, Chair, to seriously consider accepting this one, in light of the fact that they have rejected all of the other enhancements that we've proposed.

We know through their own documents, we know from hearing from experts. We all travelled—many of us travelled together—on the pre-budget consultations. We heard loud and clear from people, businesses, individuals, groups and associations about the folly of aspects of the ORPP. For instance, Professor Dr. Ian Lee from the Sprott School of Business in Ottawa sat in front of our committee and talked about the clawback of the GIS; 50% of the guaranteed income supplement will be clawed back. People who are at the lowest income right now, who could very least afford to pay another 1.7% of their salary, are the ones who will benefit the very least, because as they get to retirement, the GIS, the guaranteed income supplement, will be clawed back 50%. They will have paid into it when they can least afford it, and get the least out of it because of the clawback.

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Others, in higher tax brackets—perhaps ourselves included—don't have a GIS. We don't get the income supplement. We don't get a top-up. We're already there.

The ones who can very least afford it are the ones who are punished the most by it.

With this amendment and others, we're looking to the government to consider some of these enhancements.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: While we recognize that there are many strong DC plans out there, and we did hear from a number of them during the hearings—to say, when we see this motion, that any or all should be excluded, that doesn't support the idea of a strong and reliable benefit into retirement. The contribution side of things isn't what we should be comparing, especially if we're going to look at plans to be exempt. We should be looking at the benefit.

As I mentioned earlier, to think that people and their plans are at the mercy of the market—I don't think that's what we should be focusing on, because defined benefit plans are going to provide that predictable, more secure benefit. That's the nature of them.

Ultimately, we do hope that the ORPP is going to be designed to provide the most secure and most predictable benefit to the most people.

The Chair (Mr. Peter Tabuns): Ms. Mangat.

Mrs. Amrit Mangat: The definition of "comparable plan" was one of the key design issues in the discussion process when we consulted the public and the communities. The feedback that the government has received is being analyzed by the Ministry of Finance.

It would undermine the public consultation process, so I'm going to vote against that clause.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Mangat. Ms. French.

Ms. Jennifer K. French: Sorry, just another thought: We did hear from a number of plans that brought up the point that, by excluding or exempting some plans and not others, it would perhaps create a field of disadvantage for some of the plans. It did come up during the hearings that perhaps not exempting any would solve that problem and keep it on an even and level playing field.

The Chair (Mr. Peter Tabuns): Ms. Martow.

Mrs. Gila Martow: I'll just comment on the level playing field. It's not really a level playing field if you're taking people out of very lucrative, great retirement vehicles and you're forcing them to go to a plan where they're going to have less monthly income in their retirement, in order to help the people who don't have a plan.

The idea is to help people without hurting somebody else. That should be our focus, and that should be why we're all here.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow. I don't see any other need for discussion. People are ready for the vote? We are voting on motion number 30. All those in favour? All those opposed? The motion is lost.

We now go to motion 30.1 from the PCs: Ms. Martow.

Mrs. Gila Martow: I move that paragraph 5 of subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"5. The individual is not a member of a group registered retirement savings plan, does not have a registered retirement savings plan, is not a member of a pooled registered pension plan and is not a member of a registered retirement savings plan that provides defined contribution benefits."

I think we've been discussing a lot of these, and I'm not going to repeat what I just said, which is that you don't help one person by hurting somebody else.

Also, there's a lot of concern that I haven't mentioned. People have questioned me whether—when the plan starts, the benefits won't be rolling in. People are concerned that if they're, say, 55 years old or 58 years old right now and they're on a good plan and they're forced to give up their good plan to go into this plan, they're going to be contributing to this plan for the next seven years until it actually starts and never actually get any retirement income from this plan that they're going to be contributing to for seven years. In those seven years, they will not be contributing to the pension plan that they had before, so they're going to end up with far less income at their retirement than they would have if this Ontario pension plan wasn't brought out. There are a lot of people in their later fifties that are extremely concerned.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Fedeli.

Mr. Victor Fedeli: This is a culmination and a combination of our last several amendments. Perhaps if they didn't get passed individually it was because they were saving up the "yes" in support for all of them, Chair, which I'm hoping to see from here.

The only thought at this point that I would add that's different from all the other comments that I've made is that recently we heard from McKinsey, one of the world's most respected consulting and strategy organizations. They talked about the fact that 87% of people are prepared for retirement and 13% aren't. Chair, those 13% need our help. There's no hesitation to say that. But I think my colleague from Thornhill used the words earlier: You're using a sledgehammer to replace the work that a flyswatter can do. I genuinely believe that this is the case.

We are trying to be all to everybody. We're trying to fix the 13%, Chair, who absolutely need our help, but we're sacrificing the 87% who not only don't need our help, but this will punish them.

When I was in London on one of the pre-budget consultations this year or last—it's an anecdotal story—a guy has 15 employees. He said, "Vic, I can't have this in my business. Here's what I'm going to do: I'm going to fire one of my employees, take that money, and use it for my share of the 1.9%. I know that my employees can't take a haircut on their paycheques of 1.9%; they're going to want a raise. So I'll be generous. I'm going to fire one and use that whole salary to take care of this ORPP problem that the government is presenting, and I'm going to make the 14 work harder."

That was his response. That is the exact answer that we hear from all kinds of organizations: CFIB, the Ontario chamber, the Ministry of Finance themselves, who all say that we will lose jobs because companies aren't prepared to pay for this.

Here's an opportunity to make some amendments that will exclude people who are already taken care of and allow us to help the 13% that need the help.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Fedeli. I don't believe I have any other discussion on this.

Mr. Victor Fedeli: I will ask for a recorded vote on this particular one, Chair.

The Chair (Mr. Peter Tabuns): You'll ask for a recorded vote. Members are ready to vote? We're voting on motion 30.1.

Ayes

Fedeli, Martow.

Nays

Anderson, French, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The motion is lost. We go to PC motion 31.

Mrs. Gila Martow: Withdraw, please, Chair.

The Chair (Mr. Peter Tabuns): Withdrawn. Thank you.

We go to NDP motion 31.1: Ms. French.

Ms. Jennifer K. French: I move that subsection 2(1) of the schedule to the bill be struck out and the following substituted:

"Eligibility under the plan

"Eligible employee

"(1) An eligible employee is an individual who is employed in Ontario in pensionable employment within the meaning of the Canada Pension Plan."

The Chair (Mr. Peter Tabuns): Thank you. Did you want to comment on that?

Ms. Jennifer K. French: I would be pleased to.

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The Chair (Mr. Peter Tabuns): Please.

Ms. Jennifer K. French: In this section of the schedule there are currently five subpoints. Rather than referring to all of those, if we keep this in the interest of creating a plan that mirrors the CPP, that is our intention, and also, again, focusing on inclusion rather than excluding people. This isn't just a matter of "the more people in the plan, the more money and the greater benefit," but really this is a case for "the more people who will benefit."

There's nothing comparable to the CPP; therefore, it's our opinion and those of many groups across the province that there shouldn't be anything comparable and therefore exempt from the ORPP. By eliminating specifically subpoint 5—that at this stage there not be anyone exempted, that no plan should be considered comparable and therefore exempt, that everyone should have the opportunity, if they would qualify for the CPP, to be able to participate in the ORPP and therefore benefit.

The Chair (Mr. Peter Tabuns): Thank you, Ms. French. Mr. Qaadri—Dr. Qaadri; sorry.

Mr. Shafiq Qaadri: Thank you, Mr. Chair, and thanks to Ms. French for presenting 31.1, an NDP motion.

While we appreciate perhaps the intent of attempting to universalize this particular program, I do have to say once again, with respect, that, given the consultations, the papers that have been floated, the thousands of written submissions, the numbers that are being crunched currently at the Ministry of Finance and so on, the definition of "comparable plan" and therefore the resultant inclusion or exclusion of individuals is still pending. While we appreciate what you're attempting to do in this particular motion, we will not be supporting it.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: Thank you. I'm somewhat relieved to hear that while you won't be supporting it, which is disappointing, decisions are still pending regarding who will be included, and we hope that it will be more. I'd like to remind the government, as we heard in many of the hearings and with the submissions across the province, that there are going to be some more-than-

frustrating, almost insurmountable, challenges when it comes to the logistics, whether we're tracking employees in the plan, out of the plan or from one comparable plan to the next.

It would be more efficient to manage in terms of that if anyone who would qualify for the CPP would be a part of this plan. The same thing with portability and flexibility: If everyone is in the plan—depending on their precarious work situations, their changing work situations, young workers—it just makes far more sense.

Also, a reminder that universality really is what makes the CPP as strong as it is, so we hope that the ORPP will also be as strong as it can be. Thank you.

The Chair (Mr. Peter Tabuns): Further discussion? Seeing none, are you ready for the vote? We are voting on—

Ms. Jennifer K. French: Recorded vote. Can I still say that?

The Chair (Mr. Peter Tabuns): I'm sorry?

Ms. Jennifer K. French: Recorded vote.

The Chair (Mr. Peter Tabuns): Yes. No problem. We're voting on motion 31.1.

Ayes

French.

Nays

Anderson, Fedeli, Lalonde, Mangat, Martow, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The motion is lost.

We go to PC motion 32: Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

"Exception

"(1.1) Despite subsection (1), an employee is not an eligible employee if he or she is eligible to receive financial assistance in respect of his or her electricity bill through the Ontario Electricity Support Program."

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow. Did you want to speak to that?

Mrs. Gila Martow: I just think that, again, the assumption that if people can pay CPP, federal tax, provincial tax and municipal tax, therefore we can put another burden on them that takes out of their salary is, at the best, naive. The fact is that if somebody is receiving some kind of supplement, that's on the backs of the taxpayers. We shouldn't be then taking money out of their income and then we're forced to supplement their income. It doesn't quite make sense.

I would remind people that, from a lot of the deputations, it became very, very clear that people think it's great, "Yeah, let's have a better income when we retire." But it shouldn't be a burden to the taxpayers, it shouldn't be a burden to the employees and it shouldn't be a burden to the employers.

Again, I don't know where the magic money tree is to be able to not burden people, because it is a burden. I think that if you are burdening people, then you're honest about it. You say, "I'm very sorry, but I'm burdening you." But to pretend otherwise is really unfair.

The Chair (Mr. Peter Tabuns): Thank you. Mr. Fedeli, and then Ms. McGarry.

Mr. Victor Fedeli: Thank you very much, Chair. What we're proposing in this is to use the Liberal government's own metrics. It's their own number, their own definition, their own logic. In fact, these are not new people that we would be talking about. These would be people who fall under the new introduced plan with respect to the Ontario Electricity Support Program.

What we're suggesting, quite simply put, Chair, is if this group of people cannot today, by the government's own metrics, afford to pay their hydro bill and are excused from that, to a percentage, how can they afford to pay for a pension plan? There should be some other kind of system. Again, we go to: 87% can pay for it, 13% need it. We want these folks who can least afford it to come up with money for a pension plan for a pension they're never going to see, according to the statistics.

Again, I'll go back to when the three parties travelled on the pre-budget consultations. We heard from a woman named Jennifer in Ottawa who talked to us about the fact that she cannot—well, what she does because she cannot afford her hydro bill—we all heard that—she shuts off her power from 6 in the morning to noon and again from 3 in the afternoon to 7 at night. She shuts her power off to save money so she can buy food. This is exactly the person that we're talking about now who can't afford her hydro bill to pay into a pension program.

Chair, we need some relief somewhere for some of the people. This turns it away from this sledgehammer to kill an ant.

The Chair (Mr. Peter Tabuns): Thank you. I have Ms. McGarry.

Mrs. Kathryn McGarry: Thank you very much, Chair. I do certainly appreciate the comments of the members opposite. I really want to just point out again that those who are living without retirement savings of an adequate amount are a burden to our system. They're a burden to our society in general because they're reliant on social programs, which we, as taxpayers, put into. Again, the initiative to bring an Ontario Retirement Pension Plan forward is one way we are looking at improving incomes of those who are retiring to ensure that they can support themselves in retirement.

I wanted to really address the Ontario Electricity Support Program. I just want to point out at the moment, in a good spirit here, that it's a proposed initiative. It's a bit premature to be tying the eligibility to the Ontario retirement pension program at this point, because it's a program whose eligibility has not yet been established. Again, this is work that's going on and to be analyzed. But I think it's a little premature to tie it to a program just at this particular point.

The Chair (Mr. Peter Tabuns): Thank you, Ms. McGarry. Ms. French, and then Ms. Martow.

Ms. Jennifer K. French: It's interesting to hear all of the different perspectives on the issue of retirement security. But I would ask how can we afford not to have a pension plan and retirement security for those who are struggling with the burden of existing in this province right now? More than hydro—and I'm certainly happy to get into that—we have those who are struggling with student debt and barely, if at all, affordable child care and housing.

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We recognize that life in Ontario is very expensive and challenging. But imagine that retirement if there aren't safeguards in place. If people don't have predictable income streams into their retirement, imagine the burden on them and how little they'll be able to contribute financially and personally in their local economy and in their communities.

I appreciate, of course, having the opportunity to talk about hydro. We recognize that, right now, businesses and individuals are immensely challenged by the hydro situation. Thank you for bringing it up so that we can remind the government that perhaps we should take a closer look at fixing those problems rather than sweeping them under the rug of privatization. Hide-and-sell really isn't the NDP way, so we would encourage you to hold on to that, and let's give Ontarians a fair shot at being able to afford their hydro bills.

The Chair (Mr. Peter Tabuns): Ms. Martow, and then Mr. Qaadri—Dr. Qaadri.

Mrs. Gila Martow: I thought it was a bit of backtracking. To make an announcement that you're going to have an Ontario Electricity Support Program, and then say, "Well, it was just a suggestion"—I think you come up with the plan before you start going to the media and announcing it.

Actually, the Ontario Electricity Support Program exactly mirrors what we're trying to talk about here, which is that—you have Ontario Hydro. Say you take a certain section of the province, and it's collecting a certain amount of revenue from everybody in that region. Then a certain segment—say 5% or 10%—is struggling and they're having trouble paying their bills, and the government and the opposition recognize that there's a certain segment of people struggling to pay their bills. For simplicity, say that it's 10% of the people who are struggling to pay their bills. The government says, "Well, you know what we'll do? We're going to have a subsidy for that 10%."

Where does that subsidy come from? The subsidy comes from the other 90%, or the entire province—all the taxpayers. The money doesn't just materialize. It's not a private business, that you're saying to a private business, "Oh, well, you know what? You're going to have to subsidize. You're going to have to take it out of your profits." No, we're all losing.

Now we're hearing a bit of a backtrack, which suggests that the government's realizing that the only way we can subsidize that 10% is by raising the electricity rates of the other 90%. Now we have another 10%

who now can't afford their rate. They were managing, before it went up significantly to subsidize that 10%. Well, now it went up.

It's very similar to the entire idea of a pension plan. The idea of a pension plan is that some people are going to contribute very little, and other people are going to contribute more, but everybody's going to get a mediocre stream in their retirement, to supplement the CPP or their savings. Hopefully, they've paid off their mortgage. The suggestion is that the vast majority—or absolutely everybody, ideally—has the income to pay that extra 1.9%.

But we're hearing too often of people—and that's why you're suggesting the Ontario Electricity Support Program, because there are tens of thousands of people who literally, down to the dime, don't have money for food. They are having their electricity cut off. These aren't people out buying big-screen TVs or going for fast food or whatever. These are people who are just not managing. They've lost their job, or they have a very low-income job, or they've having to pay for all kinds of expenses that used to be covered in OHIP.

I'm an optometrist. At one time, eye exams were covered for young adults. Now you have to turn 65 before you're covered. Not everybody has an insurance program, through their work, that covers eye exams.

This is becoming a province of haves and have-nots. The haves are the people who have government jobs with great benefits and great pensions. We all recognize that people are green with envy and want government jobs.

We would love to see everybody have affordable energy and have money to save for their retirement, and then help them to do that. But the problem is, again, we're going to be creating more problems than we're solving. This is what I'm worried about.

I think that this Ontario Electricity Support Program suggestion—now we have to add on to it—is really a microcosm of how you try to help a small group of people, but you're hurting somebody else. That's not what government should be there for.

The Chair (Mr. Peter Tabuns): Dr. Qaadri.

Mr. Shafiq Qaadri: Mr. Chair, I feel that our committee may be suffering, if I may offer a diagnosis, of either motion or amendment drift.

We're considering tying a linkage of a particular support program to an exemption or an eligibility to this particular ORPP. I don't think, first of all, it's plausible or even intelligent. I think, first of all, for example, some of the scenarios, the very poignant scenarios, that were raised by some of my colleagues would likely be captured within the minimum income threshold. We think that would be perhaps the best way for that to be addressed.

The government will not be supporting this particular motion. I would just encourage my colleagues to speak to the motion, so that we don't start drifting off into optometry or a full-court press with regard to Ontario Hydro etc.

The Chair (Mr. Peter Tabuns): Ms. Martow.

Mrs. Gila Martow: I have a question for Dr. Qaadri, or the member—

The Chair (Mr. Peter Tabuns): Actually, you can speak to me.

Mrs. Gila Martow: Okay. I have a question for what he just said. He said that the threshold would be for low income, so that it's unnecessary. But I would ask him if he honestly believes that it would be the same threshold for people who would be part of the Ontario Electricity Support Program. Some people who would necessitate help with their hydro bill—it's not necessarily that they're on the bottom rung, in terms of low income. It's that maybe they have a big family that they're supporting, with a lot of dependants.

The Chair (Mr. Peter Tabuns): Thank you. He may or may not comment.

Mr. Shafiq Qaadri: Thank you, Mr. Chair. We'll proceed to the vote.

The Chair (Mr. Peter Tabuns): No further discussion?

People are ready for the vote?

Mrs. Gila Martow: Recorded vote, please.

The Chair (Mr. Peter Tabuns): Recorded vote. We're voting on motion 32.

Ayes

Fedeli, Martow.

Nays

Anderson, French, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The motion is lost. We go to PC motion 33: Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(2.1) Despite subsection (2), an employee’s employment is not eligible if the employee is employed,

“(a) under the Temporary Foreign Worker Program established by the government of Canada; or

“(b) as a seasonal worker.”

I think it's obvious that it's really unfair. We talk about worrying about refugees, immigrants, people who are in other countries, and doing our part to be humanitarian in Ontario, yet we're taking very valuable income from foreign workers who are coming to the province temporarily and trying to support families back home or maybe get some work experience. We're having them contribute to a pension plan that they have no hopes of being part of unless they immigrate to Canada.

I think that we can't say that we support low-income workers, that we support foreign workers, and then take their very valuable income that I personally think they and their families need more than we need.

The Chair (Mr. Peter Tabuns): Mr. Fedeli.

Mr. Victor Fedeli: This particular amendment to Bill 56, our amendment number 33, is primarily motivated to assist in the agricultural community.

When you think about the high cost of wages in the agricultural sector, and the short time period that the workers actually are employed—it's seasonal—it doesn't make sense to us, Chair, to take their salaries, these short-term salaries, and put it towards long-term retirement.

If they are temporary foreign workers, they are, by definition, temporary, and they're not from Ontario. That means that when they do actually reach retirement age, they will not experience any money from the ORPP; they're not eligible. That simply means that they and their employers will pay into the ORPP and not receive any benefit whatsoever from that program. When they're long gone, out of Ontario, when they're no longer a temporary foreign worker, they won't be eligible for this. That's number one.

The other is the seasonal workers. They make money for, at best, perhaps six months a year, depending on the season. If you're where I'm from, it's going to be a little shorter season, considering that the first snow was October 31. I had the boots on this weekend, as we celebrated Orthodox Easter, cooking a lamb out in the backyard in the snow.

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So our growing season may be a little shorter. Nonetheless, they do not actually make an annual salary. They'll likely make far less over the course of a year than a year-round worker. They, more than most people, cannot afford the additional 1.9% removed from their salary as their share.

The farmers themselves, the employers, who are already squeezed with today's announcement of the carbon pricing scheme, the cap and trade, the loss of pesticides—they still have to pick tobacco and apples. Those products still need to be picked in a specific period of time, at a cost that they can afford. This particular program, the ORPP—we heard from them loudly and clearly at the pre-budget consultations—is another serious tax on these employers. There's just no other way to say it: This is a burdensome tax on those employers in the agricultural sector, and we're looking for relief for them.

This is a pretty common-sense amendment. We're talking about temporary foreign workers who don't benefit and seasonal workers who can't pay.

The Chair (Mr. Peter Tabuns): Dr. Qaadri.

Mr. Shafiq Qaadri: I would, if you permit me, just like to commend the PCs for their concern for temporary foreign workers. I would just simply cite that it was the PC Party, although at another level, who seem to be creating this—let's put it this way—institutionalized, second-tier citizenry amongst us. I'll leave that for another discussion.

I would like to say, though, that the temporary foreign workers, as you may know, are subject, first of all, to the availability of employment insurance, their workmen's compensation, and CPP, as well as health care provided, for example, through the province of Ontario. We would

like to extend to them the ability to also receive the Ontario Retirement Pension Plan.

I would also cite for you that you're quite right in the sense that whether it's a temporary foreign worker who is perhaps abroad or elsewhere overseas, and not in Canada and not in Ontario when they actually retire, there are pre-existing international agreements—by the way, modelled on the CPP—which would allow them to capture those benefits outside of the Ontario jurisdiction.

For that particular reason, we will, first of all, not be supporting this particular amendment. But also, I simply urge you to understand that offering individuals such as these, the temporary foreign workers, the capacity to have this retirement pension plan, I think, is something that would well serve not only Ontarians' interests but theirs as well.

The Chair (Mr. Peter Tabuns): Ms. French?

Ms. Jennifer K. French: Again, we find ourselves finding another group to potentially exclude, which is disappointing.

I and my colleague across the way, out in Durham region, have many seasonal workers who we welcome into our communities, and we certainly recognize that all workers deserve stability and security—but I think that bringing it back to the fact that the ORPP, in terms of its design, should mirror the CPP, and so anyone who would be eligible for the CPP would be eligible for the ORPP.

The Chair (Mr. Peter Tabuns): I don't see any further discussion. People are ready for the vote? We are voting on motion 33—Mr. Fedeli?

Mr. Victor Fedeli: A recorded on this one, please.

The Chair (Mr. Peter Tabuns): Recorded vote.

Ayes

Fedeli, Martow.

Nays

Anderson, French, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): The motion is lost.

We go to NDP motion 33.1: Ms. French.

Ms. Jennifer K. French: I move that subsections 2(2) and (3) of the schedule to the bill be struck out.

The Chair (Mr. Peter Tabuns): Ms. French?

Ms. Jennifer K. French: When we look at (2) under "Eligible employment"—we don't think that anyone should be exempt. Those who would qualify to participate in the CPP should qualify for the ORPP.

In (3), our concern was with the term "similar in nature." We felt that that was too vague. In this case, for those who would be considered exempt for employment under the legislation, that should be the same under the Canada Pension Plan, not similar in nature to the exemptions.

However, if we had adopted our earlier amendment or proposal, then we wouldn't have to have this conversation.

The Chair (Mr. Peter Tabuns): Dr. Qaadri.

Mr. Shafiq Qaadri: Thank you, Mr. Chair. I commend my colleague Ms. French, from the NDP, for proposing 33.1. As mentioned earlier, we appreciate the spirit and sentiment behind it in attempting to sort of universalize this program.

As has been mentioned, given our consultations, the discussion paper, the feedback and the number-crunching going on, the precise definition of comparable plans—who is included or excluded from this particular program—is yet to be made.

I might also add, Mr. Chair, that it seems to be a bit of a rule of thumb or perhaps House wisdom here that—first of all, a quick observation: The PCs are handing out exemptions left, right and centre, and the NDP are moving towards no exemptions whatsoever, period. So again, sort of invoking the House wisdom or parliamentary wisdom, it seems that maybe we got it right, because we get complete polar opposites from the opposition side. We are, hopefully, trying to go through that middle ground, the golden mean.

The government will not be supporting 33.1.

The Chair (Mr. Peter Tabuns): Thank you, Dr. Qaadri. No other discussion? The members are ready—Ms. French.

Ms. Jennifer K. French: In the spirit of lively parliamentary discourse, I would also like to say that it may not be that the government has got it right but that they have it a tad premature, to be looking at exempting at this stage, before they have all the design features in place and as decisions are still being made and numbers are still being crunched.

Yes, in the spirit of being inclusive, we would like the opportunity for more Ontarians to benefit. I would say that we're fairly right on that, or, in this case, fairly left on that.

The Chair (Mr. Peter Tabuns): Further discussion? Seeing none, members, are you ready for the vote? Okay. We will be voting on motion 33.1.

Ms. Jennifer K. French: Recorded vote.

The Chair (Mr. Peter Tabuns): I hear a call for a recorded vote.

Ayes

French.

Nays

Anderson, Fedeli, Lalonde, Mangat, Martow, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): That motion is lost.

We go to PC motion 34: Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

"Exception

"(4.1) An employer is not an eligible employer if he or she employs 20 employees or fewer."

I think that we heard enough deputations from all kinds of business associations and businesses large and small, and it became quite apparent that, as difficult as it would be for large employers, for many smaller employers it would be next to impossible. They're operating on extremely small profit margins already.

Certainly, as the government has said, some bills can be a bit of a work in progress, and they could always make changes later on. We don't always know, even with the best of advice, what the impact is going to be, but we are all cognizant that on the smaller business models, it will be most difficult for them, and in part, it's because of just the paperwork of implementing the plan. They don't have an HR department and that kind of stuff.

The Chair (Mr. Peter Tabuns): Mr. Fedeli, and then Dr. Qaadri.

Mr. Victor Fedeli: Thank you, Chair. We saw, just a week or so ago, I think, Bill 45, the Making Healthier Choices Act, come through. The government, with that particular bill, differentiated between larger businesses and smaller businesses. For instance, in that bill they allowed menu labelling exemptions for restaurants with fewer than 20 outlets. Therefore, that particular bill only applies to larger chains. Why? Because, in their logic, the larger restaurants can afford that cost, they can absorb it, they have the ability to track calories in their food—those types of rationales. So if they recognize that the cost impact would be too high on small businesses to exempt them for that bill, why would you not consider exempting smaller businesses for the ORPP?

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Again, small business: the heart and soul of Ontario; large employer, collectively, but individually they all struggle. Just on Friday, when Stats Canada came out with their unemployment numbers, I was upset, at home in my riding of Nipissing, to see unemployment at 8.5%. As we go even further north, Chair, unemployment is higher. These small businesses are the ones that can least afford to have an additional tax burden placed on them.

On Friday we also saw the 98th month that Ontario had higher than national average unemployment—98 months, eight years. Everybody else has come out of the recession. Everybody else has finished with what we now have here to be excuses. When I first got elected, only three and half years ago, I remember the finance minister telling us that year that our deficit was because of the tsunami. That was the big reason back then; it was the tsunami that hurt us. Now it's the recession.

I can tell you that imposing this tax on businesses where we're looking at exempting businesses with 20 or fewer employees—if they're going to do this tax, then we at least need to have some relief for these small businesses. They are the ones that can least afford to pay this tax, Chair.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Fedeli. Dr. Qaadri, and then Ms. French.

Mr. Shafiq Qaadri: Thank you, Mr. Chair. I welcome PC motion 34, although we will not be supporting it.

A couple of things to mention: First, I would respectfully ask the PC colleagues here if they might propose

amendments or motions 34 to 52 to be considered en bloc. I cite for the committee, for example, the next 20 pages of material we have here essentially seek to offer an exemption for small businesses, counting from 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, nine, eight, seven, six, five, four, three and two employees. I commend the staffer who printed that and changed the single number—well done—but I think it's probably a material waste of parliamentary time and this committee's business.

Secondly, an individual who approaches a restaurant chain smaller than 20 not having a menu with a calorie count will indeed suffer and will perhaps have to ask for the calorie count onsite. But I think it's a material difference that you're going to essentially exclude individuals who have, for example, in places of business with fewer than 20, 19, 18 employees, or whatever number you want to pick—to essentially rob them of the capacity to have an Ontario Retirement Pension Plan. I think it's a material difference.

The other thing also, with due respect to the honourable McKinsey group and other, kind of, management consultants, whether it's Andersen Consulting, post-fraud renamed Accenture, and others, I would simply say that our numbers and our information—I think our lived experience on the ground—does not reflect this figure you keep citing that 87% of Ontarians are doing just fine with regard to retirement, thank you very much.

Our information tells us that something like 34% of people in Ontario have a workplace pension plan and, in the private sector only 28% of individuals have a pension plan. On top of that, you've cited RSPs of every permutation there is, whether it's group RSPs or pooled RSPs etc. We know ourselves that something in the order of about \$300 billion of RSP contribution room is still left unused. That is the reality. This is not a belief, for example, in the theory of evolution. This is what the numbers are telling us: that it's out there.

We see this on a daily basis. When it's retirement savings, there's a gap. You used the word "tsunami." I appreciate that. This is a retirement tsunami that is coming towards us. We attempted to reach out to Ottawa. Perhaps it's time for a regime change, but the point is, they are not leading us in this area and therefore we have had to step up. That was our second choice. We were very pleased to expand the CPP.

I may also say just with regard to the institutionalization of the ORPP: As you know, it is a 2017 phase-in. Larger businesses will come online earlier. There are mitigations. For example, it'll coincide with a reduction of employment insurance premiums. So there is a mindfulness from government to, yes, the cost or the burden that is being asked of businesses to pay.

The other thing I want to just ask—my colleague opposite paints this destitute picture that when a child is born in the province of Ontario, they immediately owe some figure, whether it's \$15,000 or \$20,000, but I have to invoke Trudeau 101 and say that that is money that we owe each other. That is the money that has gone, for example, into his newborn screening, the hospital care

that his mother gets, the vaccinations, the educational system that's going to take him from the womb to the tomb. That's the money that we're spending, and we owe that to each other.

The Chair (Mr. Peter Tabuns): Thank you, Dr. Qaadri. Ms. French has communicated that she—

Ms. Jennifer K. French: No, no. I'd like to speak to this.

The Chair (Mr. Peter Tabuns): By all means, go ahead.

Ms. Jennifer K. French: That was a whole other thing. Thank you, Chair.

Again, this is a series of motions that seek to exclude groups, in this case excluding small business, and that would disqualify a lot of potential employees from the plan. We would continue to say that all Ontarians deserve retirement security and deserve to be able to participate in their economy but really to participate in their community even after their working years. Life doesn't end at retirement.

I will appreciate, though, what my PC colleague said: that small businesses are the heart and soul of our communities. I think we recognize—certainly in Oshawa in our downtown we have a vibrant and dynamic downtown, and we understand that businesses across the province are managing a number of challenges, but we want to see businesses survive. I wonder if they would be able to—well, we want to see businesses thrive, but we wonder if they'd be able to even survive if no one is coming through their doors because people don't have a predictable income stream and, as I said, can't participate in their local economy. Window shopping doesn't pay the hydro bills. So we would not be supporting these motions.

The Chair (Mr. Peter Tabuns): Okay. I have Ms. Martow and then Mr. Fedeli.

Mrs. Gila Martow: Where do I begin? First of all, people pay taxes. They pay taxes to the government. That pays for their health care and education for their family and infrastructure. They already paid for all of that. The money that they're owing is \$22,000 for every man, woman, child and baby born today because of debt—debt that was incurred because of gas plant scandals, because of eHealth—and I put in electronic health records. I can tell you, I have colleagues in Alberta—the Alberta government would have gladly sold their electronic health record system that they spent many years developing, implementing, working the bugs out. They would have sent a team of experts to implement it here for maybe \$100 million is my guess, and we could have had electronic health records. Instead, we spent well over \$1 billion—I'm hearing that it's getting closer to \$2 billion after talking to some people in the know—and we don't even have electronic health records. That's number one.

Number two is, just because you don't have a pension does not mean you don't have retirement savings. People have paid off their mortgages, people have bought RRSPs, people have bought tax-free savings accounts,

people have invested and a lot of people are doing very well.

1630

This is what you just quoted, statistics comparing the number of people who feel comfortable with their retirement income versus the number of people who have a pension. Yes, there's a discrepancy because you're leaving out a vast chunk of people who prepared for their retirement without a pension. I welcome you to visit Thornhill, the land of professionals, myself included, who do not have a pension. My husband doesn't have a pension. Most of our neighbours do not have pensions. But let me tell you, they're saving for their retirement.

In terms of all of these motions that you feel that it's a waste of time to address them separately, the PC Party feels that every job we can possibly save is worth our time to sit here and put forward motions, vote on the motions and even, yes, if we need to, discuss the motions. But if you do want to save time, if there is possibly a number in there that suits you, you can tell us the number. We can put two groups together and just focus on that number. Perhaps the number is 18 or 17.

You feel that that small business in Oshawa—the member from the NDP just mentioned small businesses. I'm sure she can picture a small business in Oshawa right now. She could just name one and call it out. Perhaps it's a small local garage. It's not part of some kind of franchise. They don't have support from some big corporate office to help with the red tape. They're shaking at tax time. They're shaking every time they have to do their T4s by themselves and their T4 summaries. I had a small business and I used to get nervous doing that all myself as well. It's hard enough for people who are small business owners for whom English very possibly isn't even their first language—now, to have to go and basically set up a pension plan is going to be a lot of paperwork for them. The cost of implementing the plan on top of actually the deductions of what they're going to pay for the plan is going to cripple them.

There are a lot of small business owners we meet in our daily lives and, really, they could be retired. They're 70 years old. They don't need to still be working, but it's like a hobby to them, "Where would my employees go? I'll keep the business running," or, "I'm waiting for my grandson to finish college so he can take over the business." We've all met wonderful people like that. It's incredible how many people there are in this province—doctors, dentists and small business owners—who continue working well past 65, who say they love it. It's not just a job. It's what they like to do. They are employing a lot of people. Well, if we throw something like this at them, they're going to say, "Forget it. I don't need it. I'm not working so much for the money," and all those employees are going to be out of work.

I am quite concerned, and I would welcome the government—perhaps they'd want to have a small recess to discuss what number of a small business is reasonable to not burden with all this extra expense and paperwork.

The Chair (Mr. Peter Tabuns): I have Mr. Fedeli and then Ms. McGarry.

Mr. Victor Fedeli: Thank you, Chair. So \$287,869,949.08—that's our debt at this moment; \$21,166.91 per person. So when you talk about that debt and the things it went to pay for, I echo my colleague's comments. I would add things like the \$400 million to bail out a US real estate firm out of the MaRS deal that they did. Of course, that was done secretly a couple of years ago. It was disclosed during the election, thankfully through a whistle-blower. Those are the kinds of things that this government spends hundreds of millions of dollars on.

Chair, you and I again—we sat on the gas plant scandal committee. We learned that not only did it cost the taxpayers \$1.1 billion—\$513 million of that alone, half a billion dollars of that, the Auditor General told us, was spent to locate the new gas plant in the wrong place. The fact that we have to pay to ship gas and pay to have electricity come back to where it was needed in the first place: That's \$513 million that was wasted by this government on a mistake, on an insult on top of an insult.

So when you talk about small business and families that owe that money, these are real people and real businesses with real struggles. These are people who aren't sure if their business can stay open next week. We have 2,700 fewer businesses last year in Ontario than the year before. This is not a good trend. We're going the wrong way. Businesses are leaving—the highest electricity prices in North America, the highest payroll taxes in Canada and the highest WSIB premiums in the country. We have new taxes coming in. We have strangling red tape that's stopping businesses from expanding. Chair, these are exactly the kinds of things—when is the limit? That's just what small business is asking. "When are you going to stop picking our pockets?"

You like to quote McKinsey and try to tie them into some disgraced other firm, but when McKinsey suits your nature—and it has in the past—they're all of a sudden the best experts, but when they come out with a statistic that the government doesn't like, they try to belittle them. This is a world-renowned and -respected firm who also told us that if you take the equity in your home into account, that is going to even enhance that 87% who are prepared for retirement even higher, Chair.

So we need some relief for business. If you're hell-bent on passing this ORPP and putting this new pension tax in place, then look for some relief for the smallest of small businesses. As my colleague said, we're down to, I think, amendment number 52. It says that an employer is not an eligible employer if he or she employs two employees or fewer. My good heavens. You could be talking about any business down any side street here. These are the people who struggle day to day.

Chair, at this moment it's now \$287,870,160,465.81. That's how much our debt has grown in the few minutes that I've been speaking. It's unsustainable, and our businesses will not survive.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Fedeli. I have Ms. McGarry, Madame Lalonde and Ms. Martow. Ms. McGarry, please.

Mrs. Kathryn McGarry: Thank you very much, Mr. Chair. It's a free-ranging discussion there. I really wanted to focus on small businesses again because that's really what we're talking about—employees under 20 etc.

I did want to reassure the members opposite that this government has actually done a lot in order to bring down costs for businesses. The move to a harmonized sales tax, for instance, a more modern, value-added tax, provided businesses with annual compliance cost savings of over \$500 million. This government lowered the corporate income tax rate for small businesses from 5.5% in 2009 to 4.5% in 2010, with resultant savings.

I also wanted to point out that there was a reduction in the business education tax rates and that we've reduced the business regulatory burden by 17% since 2008, all of which are providing savings for small businesses.

I also wanted to talk about the private sector and just point out that in the private sector only, when we isolate that particular sector, pension coverage is down to 28%. This brings it back to the entire discussion that Ontarians are not saving enough for retirement. I know that this government doesn't want to deny Ontarians who are working for small businesses or are employed by small businesses to lose out on having access to enhanced retirement savings.

I also want to point out that this government is moving to roll in the ORPP by 2017, at a time when EI reductions are phased in. I also wanted to just concur with my colleague from Oshawa regarding those pensioners who may not have enough to retire on. I would agree with her that if indeed they don't have enough to retire on, they're not consuming some of the goods and services that they can avail themselves of in retirement, and that does have an added effect on small business.

1640

I want to say, just in conclusion, that small business is the backbone of Ontarians. Many are employed by them, and we certainly don't want to leave them out of the ability to participate in a retirement savings plan—a pension plan; I'm sorry.

The Chair (Mr. Peter Tabuns): Thank you. I have Madame Lalonde and then Ms. Martow. Madame Lalonde?

Mrs. Marie-France Lalonde: Thank you, Mr. Chair. I will definitely echo what my colleague has just said, in terms of small businesses and the importance of having them here in Ontario.

One thing that I would like to share is that I was a business owner prior to my life as a politician. I certainly looked at various plans where I could offer my employees something that would be affordable as an employer. Unfortunately, at the time, we couldn't find something. Not only was it not affordable, but it was certainly very complicated to manage and, administratively, for a single person who paid all of their remittance, who had to do her CPP remittance, who had to do her payroll, her T4s—everything—it was actually more complicated than anything else that I was doing every day.

For me, the ORPP, I wish, as a business owner—and we've heard this, actually, throughout our consultations,

where a business owner would come and share that this actually will give him an advantage to retain that employee and also to help that employee in having a predictable stream of income, and, I like to say indexed to inflation and paid for life. So when I think about what we're offering to small businesses for this employee, I think we are heading in a direction where we're going to help build an economy for our future.

The Chair (Mr. Peter Tabuns): Thank you. Ms. Martow.

Mrs. Gila Martow: In terms of an economy for our future, it's sort of like saying that if we give our kids an allowance, they'll go to the mall more, and that will boost the economy. But we're out that income. The money does come from somewhere.

I think that we are hearing from a lot of people in the community and in business who have said—and I said it earlier—that they think having a great pension plan is wonderful, but it's got to be affordable. They don't feel that their employees can afford it. The employees say they can't afford it. Many of the small business owners—and that's what this next group of motions is focusing on. I haven't heard from the government side—I was hoping to hear a number which is where you feel that a certain business of a certain size cannot manage this.

What I would draw to your attention is that there are households where there are people who are elderly. Instead of going to nursing homes, they are managing through family members. They're hiring two caregivers and then the family members that need around-the-clock care, say two elderly parents—they're getting a little bit of care through the government, maybe two hours every second day. But the family has hired two caregivers. It's eight-hour shifts, and then the family members fill in some weekends, evenings and holidays. So these are two employees.

The government is suggesting that a family that's taking care of their parents—would this qualify as a business? You have two employees. You have to have a business number. You have to pay for a caregiver. In my estimation, I'm fairly certain that if you're hiring a caregiver, you're considered a small business owner of one employee. You're paying for that caregiver. You're having to do the T4 and do the T4 summary. That's what I'm questioning: whether, even just with two caregivers in a small house, that qualifies as a small business.

It comes down to a number. The member from the government, who I suppose is their lead, does not want to read through all these motions. We're happy to read through the motions. We feel that if it draws attention to the concern we have for business owners and saving the jobs of employees, we're happy to spend the time. But is there a number that you feel a small business of a certain number should not have to necessarily be forced—it doesn't mean they can't. See, this is what I don't understand. It doesn't mean they can't be part of it.

If Madame Lalonde, if it would have been available, if she could have afforded it—because she spoke about both parts, that there was the affordability and there was

the question of paperwork. Okay, so if this took away the paperwork for you, if you could have afforded it, then you have done this plan. I think a lot of employers, if they could afford it, would be happy to have a pension plan. And you're right; they do feel it helps them retain employees. But that's only if there are other businesses that the employees could go to that don't have a pension plan.

If you're looking at a universal plan, that takes away from employers trying to hold on to employees just by offering a pension plan because now all their competitors have a pension plan. So guess what? They have no advantage by having a pension plan, and this wouldn't leave room for them to offer a better pension plan because everybody is sort of in the same boat.

The Chair (Mr. Peter Tabuns): Thank you. I have Ms. French, Ms. McGarry and Dr. Qaadri, in that order. Ms. French?

Ms. Jennifer K. French: Thank you, Mr. Chair. I've been inspired to weigh in. I've heard some things. My colleague from the PCs just said, "We're all in the same boat." I'll speak about what I know in terms of my riding. I wouldn't say that we're all in the same boat. Some are in a boat and they are clearly ready for retirement; others can only hope for that kind of stability because they're currently challenged by precarious work, if they can find it.

We heard a lot, actually, during the committee hearings, about this 87%. It was an interesting number because, if I recall correctly—and don't quote me on this—it was 87% who are on track to at least maintain their current standard of living. I think that begs the question: For some of those who are currently on track to maintain their current standard of living, is that standard of living enough to sustain them in their retirement? Does that include households that are currently struggling? It's an interesting number and I think we're all kind of manipulating it, but I think, when we look around our communities, if we're talking about equity and households and their readiness, equity and home ownership—those are wonderful things, but many of my constituents would love to be able to afford to have a home but right now they're looking for affordable housing. They're looking for affordable child care. They're looking to be able to afford transit to maybe get to a job that they have been able to secure. So there are a number of things that play in.

We heard something earlier: "Let's show people how to save." I would argue that many of those individuals who are struggling to get by and are somehow managing to make ends meet but are not able to save for retirement could probably teach us a thing or two about how to stretch a dollar and manage.

I think that if we can remember that as the government is designing this ORPP, it really needs to benefit the most people in the most progressive and predictable way—again, back to including more.

I think there was also a point about businesses in a position to offer a pension plan if they were doing well

and financially could offer a pension plan, that they would choose to do that, and we heard about retention. So I think it comes back to that.

There are going to be challenges—we know that—with any new change, but we do want the most people to benefit in the long term in Ontario. If we can work towards that, I think that should be the goal.

The Chair (Mr. Peter Tabuns): Thank you. I have Ms. McGarry and then Dr. Qaadri. Ms. McGarry.

Mrs. Kathryn McGarry: Thank you, Chair. It's really just a point of order to correct my record. I think at the end of my last comment I said "participate in a retirement savings plan," but I wanted to change that to "participate in the Ontario Retirement Pension Plan." Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. McGarry. Dr. Qaadri.

Mr. Shafiq Qaadri: Thank you, Mr. Chair. I was repeatedly challenged to offer a number, perhaps in my mind associated with the PC Party. I would just like to simply commend the PC Party. The number that strikes me as most relevant for your plan for retirement security for the prosperity of the province of Ontario, for job creation, for economic stimulus, is the 100,000 public service workers that you pledged to lay off instantaneously on day one, which was perhaps the most prominent feature of your campaign. That's the number that comes to my mind when you're talking about these particular issues.

The other thing I want to say, Mr. Chair, with respect, is this: As Ms. French has quite rightly pointed out, different ridings have different income matrices. I don't know whether I want to call this the "eye doctor effect," the "optometry effect" or the "Thornhill effect," but I commend you and your riding for such a prosperous environment.

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I remember, for example, that when we pledged to increase the minimum wage, you were on television saying, "Well, that doesn't really affect my riding. No one makes minimum wage in my riding." I thought, "Marvellous." Perhaps that's a credit to the representation of the MPP, but the province of Ontario is much vaster than that. I say that with respect. What I simply ask you—and just generally I'll broaden it now. There are a number of people who are hurting. There are a number of individuals who, beyond the fear of the T4 form, have a very real and deep concern for retirement security.

We tried to go to the feds. There were no takers there. That's why Ontario is moving, and I would respectfully ask you to reconsider your position—

The Chair (Mr. Peter Tabuns): Dr. Qaadri, could you please address me?

Mr. Shafiq Qaadri: Oh, certainly. Absolutely. An honour.

The Chair (Mr. Peter Tabuns): It is, I know. I understand. Please, proceed.

Mr. Shafiq Qaadri: I would simply ask, through you, Chair, to ask my colleagues to just reconsider a little bit of the parameters and maybe have a look a little bit at the big picture, what we're trying to achieve for the people of Ontario downstream. Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Dr. Qaadri. Ms. Martow is on my list.

Mrs. Gila Martow: I would say that the member opposite is very lucky. He's speaking in a protected environment, and I would ask him to show me where that was on TV or in print. I suggest that you go and look for it, because it was actually retracted.

Interjections.

Mr. Victor Fedeli: By the media.

Mrs. Gila Martow: By the media, yes. By the person—yes, not by myself. I gave an interview that was recorded, and nowhere did I say anything like that. I think it was something that the point of minimum wage is for students and people getting into the market. Nowhere did I say that nobody earns minimum wage in my riding. Of course, many people earn minimum wage, and we would hope that they wouldn't stay on minimum wage for very long.

I would just address very quickly—I'm not going to get into a discussion of 100,000 jobs, but he said "immediately." From what I recall, there was a lot of discussion about attrition and not rehiring people. Certainly I don't recall the word "immediately." Again, I think he's very lucky that he's protected here because certainly the word "firing" wasn't used and the word "immediately" wasn't used.

There was talk about paring back, and we're seeing big paring back. We're seeing nurses being fired and we're seeing budgets being slashed, and I would remind—

The Chair (Mr. Peter Tabuns): Ms. Martow—

Mrs. Gila Martow: Yes. Well, he started it, so I think I have to address it.

The Chair (Mr. Peter Tabuns): I understand. You've been making sure the record reflects your understanding of it—

Mrs. Gila Martow: Exactly.

The Chair (Mr. Peter Tabuns): —but I'd ask people—you're making a point with your amendment, and if you could—

Mrs. Gila Martow: Okay. So I'll go back to the amendment.

The Chair (Mr. Peter Tabuns): —stick as close to that as you can.

Mrs. Gila Martow: I'm not sure what he was getting at. I guess because I said the word "caregiver," that strikes him as something very affluent, but the fact is that for a lot of people, whether or not to put two parents into a nursing home, what they do is, they hire a caregiver to help take care of those two parents in their condo or apartment or even in their children's homes. I know of many children—specifically, I think the Italian community is fantastic at taking in their elderly parents. They'll hire somebody to help in the house—sometimes two

people to help in the house. Sometimes there are multiple parents from both sides of the family. The kids are working but helping on evenings and weekends, and they do not want to have their parents—I guess the word is—“institutionalized.”

My question to you—and I didn’t really get an answer, and it was a genuine question; it wasn’t a rhetorical question—is if there are two family members with one or two caregivers helping out during the day—we’re not talking about affluent people. They’re actually doing it to save money. It’s cheaper than an institution. Would they be considered a small business?

The second question I asked that also wasn’t a rhetorical question, is that you wanted to somehow group these motions and you weren’t saying what small businesses’ number of employees could be exempt from being forced—they could still obviously opt in if they want to be competitive with their competitors. We know for a fact that there are many companies who came to give deputations who said that in fact the reason they have such a fantastic offer of topping up RRSPs or great pension plans is because they want to retain their employees. We recognize that. We believe in the carrot, not the stick. Let’s do everything we can to help people save. Let’s do everything we can to retain employees. Let’s do everything we can to create jobs. That’s what our concern comes out of. It’s not from some kind of game playing or wasting people’s time.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow. I see no further—Dr. Qaadri?

Mr. Shafiq Qaadri: I would simply say that if I have misquoted Ms. Martow, I would apologize for that, whether I am here or in a non-protected environment. I would just simply say that I guess you might want to consult the press, because there’s lots of stuff on Google, still, about that.

The Chair (Mr. Peter Tabuns): That she might want to.

Mr. Shafiq Qaadri: Yes. Thank you, Mr. Chair.

The Chair (Mr. Peter Tabuns): With that, colleagues, I gather there’s no further discussion. You look like you’re ready for the vote, correct?

Mrs. Gila Martow: Sure.

The Chair (Mr. Peter Tabuns): We are voting on motion 34. All those in favour? All those opposed? Yes, that one’s lost.

We go to PC motion 35. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 19 employees or fewer.”

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow. Discussion?

Mrs. Gila Martow: I don’t think we need to discuss it further.

The Chair (Mr. Peter Tabuns): Everyone is ready for the vote? We are voting on motion number 35. All those in favour? All those opposed? It’s lost.

We go to motion 36. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 18 employees or fewer.”

The Chair (Mr. Peter Tabuns): No further comment? You’re ready for the vote?

Mrs. Amrit Mangat: Same vote.

The Chair (Mr. Peter Tabuns): We’re on motion number 36. Those in favour? Those opposed? It’s lost.

We go to motion 37. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 17 employees or fewer.”

The Chair (Mr. Peter Tabuns): I don’t see any discussion. Members are ready for a vote? All those in favour? All those opposed? It’s lost.

We go to PC motion 38. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 16 employees or fewer.”

The Chair (Mr. Peter Tabuns): Seeing no discussion, members are ready for a vote? All those in favour? All those opposed? The motion is lost.

We go to PC motion 39. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 15 employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no discussion. You’re ready for the vote on number 39? All those in favour? All those opposed? It is lost.

We go to PC motion 40. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 14 employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no further discussion. You’re ready for the vote on motion 40? All those in favour? Those opposed? It’s lost.

We go to PC motion 41. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 13 employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no discussion. You're ready for the vote? We are voting on motion 41. All those in favour? All those opposed? The motion is lost.

We're going to PC motion 42. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 12 employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no discussion. You're ready for the vote? We're voting on motion 42. All those in favour of motion 42? All those opposed? It is lost.

We go to motion 43. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 11 employees or fewer.”

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The Chair (Mr. Peter Tabuns): I don't see any discussion. You're ready for the vote? All those in favour of motion 43? All those opposed? The motion is lost.

PC motion 44.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs 10 employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no requests for discussion. You're ready to vote on motion 44? All those in favour? All those opposed? I can see the pattern.

Motion 45: Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs nine employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no requests for discussion. You're ready for the vote? We are voting on motion 45. All those in favour? All those opposed? It is lost.

We go to motion 46. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs eight employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no discussion. You're ready for the vote? We're going to vote on number 46. All those in favour? All those opposed? It is lost.

Motion 47: Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs seven employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no requests for discussion. You're all ready for the vote? We are voting on motion 47. All those in favour? All those opposed? It is lost.

We go to PC motion 48. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs six employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no requests for discussion. You're ready for the vote? We are voting on motion 48. All those in favour? All those opposed? It is lost.

We go to PC motion 49. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs five employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no requests for discussion. You're ready for the vote? We are voting on motion 49. All those in favour? All those opposed? It is lost.

PC motion 50: Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs four employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no requests for discussion. You're ready for the vote? This is motion 50. All those in favour? All those opposed? The motion fails.

PC motion 51: Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

“(4.1) An employer is not an eligible employer if he or she employs three employees or fewer.”

The Chair (Mr. Peter Tabuns): I see no requests for discussion. You're ready for the vote? We are voting on motion 51. All those in favour? All those opposed? It is lost.

We go to PC motion 52. Ms. Martow.

Mrs. Gila Martow: I move that section 2 of the schedule to the bill be amended by adding the following subsection:

“Exception

"(4.1) An employer is not an eligible employer if he or she employs two employees or fewer."

I would just add to this last one that there's actually—you know those songs that you do from 13 to 12 to one? For The Twelve Days of Christmas you go from one up, but some songs go from 13 down.

What about the self-employed? They're the ones who are really lost in this whole shuffle, because there is no eligible employer of one in this. Just because somebody is self-employed, employing themselves, they're not going to be a part of this whole plan. We're seeing, actually, in the last decade more and more people who are self-employed, working as one on contract work, and they are going to be in trouble.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Fedeli.

Mr. Victor Fedeli: Thank you, Chair. Look, we're trying to find the sweet spot here and it's obvious that there's no give with this government. There was a comment earlier from one of the members who said, "We're offering this ORPP to small business." You're not offering anything. This is mandatory. This isn't an offer to help small business. This is a penalty against small business. You're not offering anything; you're demanding.

You continue to say you're helping small business. I only have one expression, Chair: Stop helping. Stop helping them. They can't afford your help any longer.

Today, at this moment, we are now at \$287,870,515,210.23. That's our debt as of this moment. Stop helping.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Fedeli.

I see no further requests for discussion—

Mr. Victor Fedeli: I'd like a recorded vote on this one, please.

The Chair (Mr. Peter Tabuns): You'd like a recorded vote? You're ready to vote?

Mrs. Gila Martow: Can I make one more comment?

The Chair (Mr. Peter Tabuns): Yes, Ms. Martow.

Mrs. Gila Martow: There's nowhere in here for businesses that are just starting out. It's their first day of business. They're just hiring their first employee and right away they have this handicapping them and stopping them from succeeding.

We all know—either we have family members who first started a business or we started a business. Very often the people starting the business are in serious debt. They borrow from family members. They don't pay themselves a salary. We know of people who have lived for many years with family members while they got their business off the ground. This is stopping people from being innovative and being entrepreneurs in our province.

The Chair (Mr. Peter Tabuns): Thank you, Madame Lalonde?

Mrs. Marie-France Lalonde: I would just like to make two comments. The first one is that, certainly, when I opened my business, contribution to CPP did not preclude me from starting my business. In 1966, when

the CPP was introduced in Canada, there was a lot of comments and a lot of, I would say, resistance. Change is always something that—we don't always feel comfortable. I would like to think that the leadership that this province is showing, with the lack of the one at the federal level, will help Ontarians down the road. That's my first comment.

I also just would like to clarify for members opposite that the self-employed are currently excluded from our proposal because of, actually, the Income Tax Act. It's certainly something—

Mr. Victor Fedeli: That's what she said.

Mrs. Marie-France Lalonde: No problem. That's something that I do believe is being reviewed as to how we can look into this. But it's a federal issue also, so there has to be negotiation, which we haven't seen.

That's about it. Thank you.

The Chair (Mr. Peter Tabuns): Okay, thank you, Madame Lalonde.

I don't see any other requests. You're ready to vote? I've had a request for a recorded vote.

Ayes

Fedeli, Martow.

Nays

Anderson, French, Lalonde, Mangat, McGarry, Qaadri.

The Chair (Mr. Peter Tabuns): It is lost.

We've gone through schedule 2. Shall section 2 of the schedule carry? Carried.

Section 3 of the schedule: Shall section 3 of the schedule carry?

Mr. Victor Fedeli: Isn't there another amendment?

The Chair (Mr. Peter Tabuns): There is another amendment, but it comes later.

Mrs. Marie-France Lalonde: Did we do 52?

The Chair (Mr. Peter Tabuns): It's 53. It's an amendment to the preamble.

Mrs. Amrit Mangat: That comes later.

The Chair (Mr. Peter Tabuns): Yes. I actually am going through in a methodical way, believe me.

Shall section 3 of the schedule carry? Carried.

Shall section 4 of the schedule carry? Carried.

Shall section 5 of the schedule carry? Carried.

Shall the schedule to the bill carry? Carried.

Preamble: We have motion 53.

Ms. Jennifer K. French: I move that the preamble to the bill be amended,

(a) by striking out "new mandatory provincial plan" in the third paragraph and substituting "new mandatory, universal, defined benefit provincial pension plan";

(b) by striking out "and would build on key features of the Canada Pension Plan" and substituting "would build on key features of the Canada Pension Plan and would mirror the Canada Pension Plan's participation rules"; and

(c) by striking out “administered by an entity” in the fourth paragraph and substituting “administered by an independent entity”.

The Chair (Mr. Peter Tabuns): Thank you, Ms. French. I hope that I don’t have to rule your motions out of order very often, but I have to in this case.

Ms. Jennifer K. French: But I appreciate being able to read it anyway.

The Chair (Mr. Peter Tabuns): The motion is out of order because it seeks to amend the preamble to the bill. In the case of a bill that has been referred to committee after second reading, a substantive amendment to the preamble is admissible only if it is rendered necessary by amendments made to the bill. I find that the bill has not been amended in a way that renders the proposed amendments to the preamble necessary. So unfortunately, your motion is out of order.

Ms. Jennifer K. French: I wondered if I could correct my record from earlier. Is this an appropriate time, before we—

The Chair (Mr. Peter Tabuns): If you want to quickly correct your record and then we will go to the vote on the preamble.

Ms. Jennifer K. French: Oh, well, whatever—okay. It was from earlier, though, and separate. I misread our first amendment. It had referred to subsection 2—I read paragraph 2 instead of 3. It was correct in the amendment, but I read into the record “section 3, subsection (2),” and then I read paragraph 2 instead of 3. So If we can—

The Chair (Mr. Peter Tabuns): Okay. That has been recorded.

We will go back to the vote. Shall the preamble carry? Carried.

Shall the title of the bill carry? Carried.

Shall Bill 56, as amended, carry? Carried.

Shall I report the bill, as amended, to the House?

Mr. Victor Fedeli: This is the one where we wanted a recorded vote.

The Chair (Mr. Peter Tabuns): I’m sorry?

Mr. Victor Fedeli: Can we record this vote?

The Chair (Mr. Peter Tabuns): On the report of the bill?

Mr. Victor Fedeli: Yes.

The Chair (Mr. Peter Tabuns): I actually had already called it.

Mr. Shafiq Qaadri: That’s fine.

The Chair (Mr. Peter Tabuns): That’s fine? We can have a recorded vote? Unanimous consent? You’re all happy? A recorded vote.

Ayes

Anderson, French, Lalonde, Mangat, McGarry, Qaadri.

Nays

Fedeli, Martow.

The Chair (Mr. Peter Tabuns): The motion is carried.

I’d like to thank all of you for working so diligently this afternoon. I’d like to thank the staff up here for keeping us on the straight and narrow. And all of those who sat in the audience, you were very patient.

This committee is adjourned.

The committee adjourned at 1712.

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Pooled Registered Pension
Plans Act, 2015

Assemblée législative de l'Ontario

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Journal des débats (Hansard)

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Comité permanent de
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 27 April 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 27 avril 2015

*The committee met at 1400 in room 151.*POOLED REGISTERED PENSION
PLANS ACT, 2015LOI DE 2015 SUR LES RÉGIMES
DE PENSION AGRÉÉS COLLECTIFS

Consideration of the following bill:

Bill 57, An Act to create a framework for pooled registered pension plans and to make consequential amendments to other Acts / Projet de loi 57, Loi créant un cadre pour les régimes de pension agréés collectifs et apportant des modifications corrélatives à d'autres lois.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. We're here for public hearings on Bill 57, An Act to create a framework for pooled registered pension plans and to make consequential amendments to other Acts. Please note that no further witnesses have been scheduled after 2:45 p.m. today, and also that written submissions have been distributed to members of the committee.

Each presenter will have up to five minutes for their presentation and up to nine minutes for questions from committee members, which will be divided equally among the three parties. When we get to it, we'll be starting the rotation with the official opposition. I will normally give you a one-minute warning when you're running out of time.

CANADIAN LIFE AND HEALTH
INSURANCE ASSOCIATION INC.

The Chair (Mr. Peter Tabuns): Our first presenters are the Canadian Life and Health Insurance Association Inc.: Leslie Byrnes, vice-president. Would you like to introduce yourself for Hansard? Please begin.

Ms. Leslie Byrnes: Good afternoon. My name is Leslie Byrnes, with CLHIA, and I'm accompanied by my colleague Ron Sanderson.

Mr. Chair and members of the committee, it's my pleasure to speak to you this afternoon on behalf of the Canadian Life and Health Insurance Association to share our views on Bill 57, an act to create a framework for pooled registered pension plans.

The CLHIA is a voluntary association whose member companies account for 99% of Canada's life and health insurance business. The industry has over \$240 billion of

investments in Ontario, making it one of the largest investors in the province's economy. The industry administers about two thirds of Canada's pension plans, primarily defined contribution plans for small and medium-sized businesses. In Ontario, we administer 18,000 workplace retirement plans for over 2.2 million workers.

At the outset, we would like to commend the government for introducing Bill 57. We know that Canada's three-pronged retirement income system has on the whole been highly successful, but we also know that a pension gap has emerged for some Canadians. Research consistently identifies that gap as mid-income workers who do not have access to workplace retirement plans and aren't saving sufficiently on their own.

Those working for small to mid-sized companies are most likely to be affected. Statistics Canada data shows that 82% of workers with employers of 500 or more workers have workplace retirement plans. That percentage falls to 26% for employers with 100 to 499 workers and falls even further as workplaces get smaller. In Ontario, 54% of workers are at workplaces with under 500 employees.

We believe that Bill 57 and PRPPs will help to close the pension gap and will make a fundamental difference to the retirement savings landscape for Ontario workers. The key factors that will contribute to this success will be: These are plans that are offered at the workplace, where it is easiest to save through a payroll deduction; unlike other voluntary retirement options, they have built-in behavioural nudges like auto-enrolment—in other jurisdictions, like the UK and the US, experience has shown that only about 15% of people choose to opt out; funds invested in a PRPP are locked in for retirement; they make it easy for small and mid-sized businesses, as well as the self-employed, to participate; and by pooling many businesses together and keeping the design simple, PRPPs will have economies of scale that allow them to be delivered at low costs. This means more savings for workers.

Ontario joins Quebec, BC, Alberta, Saskatchewan, Nova Scotia and the federal government in moving forward with this important initiative. If PRPPs are to realize their full potential, it will be important that they have national scope and they have scale. Clearly, having Ontario on board is important to the success of PRPPs across the country.

If there is one area where Ontario might improve upon Bill 57, it would be to take a page from the Quebec

model. When Quebec introduced its version of the PRPP, the voluntary retirement savings plan, or VRSP, it took it one step further. Quebec reasoned that if a primary driver of undersaving for retirement is access to workplace retirement plans, then the public policy objective of improving Quebecers' retirement readiness would best be met by requiring employers to offer some form of workplace retirement plan. They don't require that all employers offer the VRSP, but they do require that all employers with five or more employees offer some form of workplace retirement plan. The system is being phased in over several years by size of employer, starting with the largest.

With Ontario moving forward on various initiatives to improve retirement savings, including the ORPP, it will be important that these be coordinated in such a way that they can be optimized. If the government chooses not to recognize PRPPs as comparable plans for the purposes of the ORPP, this could have the effect of neutralizing PRPPs before they even have a chance to get off the ground. That would be a shame for Ontario workers without workplace plans.

In conclusion, we believe PRPPs can have a very positive impact on the retirement readiness of Ontario workers. We urge the government to move forward with Bill 57 and to ensure that PRPPs are not handicapped by restrictions imposed by ORPP legislation. We would also strongly urge Ontario to consider the universal access approach that Quebec has taken.

Thank you, Mr. Chair, for the chance to appear before the committee today.

The Chair (Mr. Peter Tabuns): Thank you as well. First rotation to Ms. Martow.

Mrs. Gila Martow: Thank you very much for your great presentation. I would just ask you if you have any other concerns. We've been hearing deputations about a universal Ontario-only pension plan and that these plans would not be considered comparable. If you can elaborate on your concerns.

Ms. Leslie Byrnes: Yes, certainly. I believe we've appeared before this committee on exactly that point. We think the Ontario government has shown a commitment to both the ORPP and PRPPs, and we think it's really important that they both be given a chance to meet their objectives. PRPPs are very specifically directed at the undersaving cohort and workplaces without retirement plans. It makes it easy for them to save. Experience has shown as well with existing DC plans and even group RRSPs that average contribution levels are fairly significant both for employers and employees.

So not making them comparable and not giving a chance for employees to save at a much higher rate and instead forcing them into only the ORPP will, in effect, have a more negative outcome on the retirement income of that worker.

Mrs. Gila Martow: We keep hearing that it needs to be universal; it needs to be universal if there's an Ontario plan. I think it's because they want some workers to be able to carry workers who aren't able to contribute

maybe as much, but there's no recognition that some people's pensions will be less if they lose these kinds of options and that you're trying to help some people by hurting other people.

The Chair (Mr. Peter Tabuns): One minute.

Mrs. Gila Martow: I just wonder if you have any comments on that. If this wasn't considered comparable, what percentage of people would be hurt?

Ms. Leslie Byrnes: Well, we know that not recognizing existing plans affects 2.4 million workers: the 2.2 million that our industry covers and another 200,000. So we know it affects that.

Mrs. Gila Martow: In just Ontario?

Ms. Leslie Byrnes: In just Ontario. We know also from surveys that we've done that about three quarters said they would consider reducing their existing contributions to existing plans, and two thirds said they would even think about whether or not they'd keep their existing plans.

Mrs. Gila Martow: So it's very harmful to people who, right now, have a great plan. Thank you.

Ms. Leslie Byrnes: Thank you.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: Thank you very much for joining us here at Queen's Park today. I've appreciated your input, and I have some specific questions because you're certainly the person to ask. You have said that PRPPs will make a fundamental difference to the retirement savings landscape for Ontario workers. I'm also interested: What would be some of the differences to the savings landscape that they might make, not to workers but to other plans and other investments currently in the market, like RRSPs? Is there going to be competition? Is it just sort of one more added to the landscape, so to speak?

Ms. Leslie Byrnes: That's a good question. I think there's no question that there could be some shifting from existing plans over to the PRPP, so it wouldn't be entirely new employers offering plans. Some may say, "Well, I like the behavioural nudges in this. I like the fact that everything is locked in there," so there could be some shifting. But I think the very exciting prospect for PRPPs is that you will be attracting employers who have nothing right now, as well as the self-employed.

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Ms. Jennifer K. French: I had wondered, because I know that it's, I would say, a step better than RRSPs in the pooled aspect. So I wasn't sure, then, if we were going to see RRSPs obsolete or challenged.

Ms. Leslie Byrnes: No, I suspect not. I think there's room for a variety of different types of plans out there that meet different needs.

Ms. Jennifer K. French: Okay. And to your point that we would see employers choosing to have these at their workplaces—

The Chair (Mr. Peter Tabuns): One minute left.

Ms. Jennifer K. French: Would the PRPPs—we know that employers aren't obliged to pay into the pool, but where we see PRPPs elsewhere, do you have any

numbers or stats about employers that do opt to contribute?

Ms. Leslie Byrnes: I actually do not have directly those stats, but I do know that you're going to hear later today from a provider in Quebec who does have stats on that. So there are some stats.

We also found out from a survey that we did almost two years ago that about two thirds of employers said that they would be interested in making a contribution even though they knew they wouldn't be required to do that. At some point, it comes down to being competitive in the marketplace, recruiting and retention. That starts to play into all that, too.

Ms. Jennifer K. French: Okay. Thank you.

Ms. Leslie Byrnes: Thanks.

The Chair (Mr. Peter Tabuns): Okay. Thank you. Ms. Mangat?

Mrs. Amrit Mangat: Thank you for your presentation. My understanding is that your association is supportive of Bill 57?

Ms. Leslie Byrnes: We are very supportive, yes.

Mrs. Amrit Mangat: Thank you so much. I have lots of small and medium-sized businesses in my riding of Mississauga–Brampton South. Could you please shed a light on how it would affect the small and medium-sized business community?

Ms. Leslie Byrnes: It's making it easy for small and medium-sized businesses to offer a plan. Right now, it's more administratively complex for them to offer a plan and, frankly, a lot of them just shy away from it. They'll say, "Well, okay, we can give dental benefits, but we don't want to get involved in pension plans." So it takes the administration away from them and it houses the administration with financial providers who have the experience to do that, and a number of them are pooled together as well so you get low cost.

So for the small employers, you've got them able to offer a benefit to their employees at a cost that you usually only see with the various biggest pension plans. So that's a huge benefit. And you take away the administrative complexity for them.

Mrs. Amrit Mangat: Thank you.

The Chair (Mr. Peter Tabuns): Ms. McGarry?

Mrs. Kathryn McGarry: Thank you very much. I'm very interested in those who have been self-employed and the benefits that they may be able to realize from that PRPP. As we know, those who are self-employed often complain that they don't have enough benefits and that's one of the reasons why they may not choose to be self-employed. So what benefits will the self-employed individual have?

Ms. Leslie Byrnes: Well, I think the biggest benefit is simply access to a low-cost pension plan, which they don't have now. That would be the biggest one.

Mrs. Kathryn McGarry: Okay. Just echoing my colleague's comment: When you're talking about small business, a small business that would only have two or three employees would benefit from that?

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Leslie Byrnes: Yes, because they could get into it.

Mrs. Kathryn McGarry: Okay. And let's say that somebody with a small business only has part-time employees: Would that benefit a part-time employee or would it need to be a full-time employee?

Ms. Leslie Byrnes: I think if you take a look at the Quebec example, it tends to be full-time employees. I'm just going to defer to my colleague to see if you have any more information.

Mr. Ron Sanderson: I believe that is correct for the Quebec status, but there's nothing that would preclude part-time employees from participating in the plan.

Mrs. Kathryn McGarry: And would you, if you were writing the plan yourself, include part-time employees, or would you have, let's say, if they were working 60% of a full-time—

The Chair (Mr. Peter Tabuns): I'm sorry to say, Ms. McGarry, your time is up.

Mrs. Kathryn McGarry: I could go on.

The Chair (Mr. Peter Tabuns): I understand that.

Thank you very much for your presentation and for your answers to questions.

CANADIAN BANKERS ASSOCIATION

The Chair (Mr. Peter Tabuns): We're going to the next presenters now. I have the Canadian Bankers Association. As you've observed, you get five minutes to present, with three minutes to each party for questions. I'll give you a warning at the one-minute mark. If you could introduce yourself for Hansard.

Mr. Marion Wrobel: My name is Marion Wrobel. I'm with the Canadian Bankers Association. I have a short presentation and I'd like to make it even shorter to leave lots of time for questioning.

First of all, I'd like to thank the committee for inviting us to appear on this particular bill, Bill 57, the Pooled Registered Pension Plans Act. The Canadian Bankers Association works on behalf of 60 domestic banks, foreign bank subsidiaries and foreign bank branches operating in Canada and their 280,000 employees, the majority of which are located right here in Ontario.

A strong and healthy banking system is good for the economy generally, and I think it's good for Canadians in terms of providing them with safe, sound institutions and products that help them to meet their financial requirements. It's our view that a harmonized and well-designed pooled registered pension plan framework has the capacity to substantially increase both the number of Canadians who participate in a workplace pension plan and the number of employers who provide such plans.

For employees, the PRPP is a low-cost pension plan, and that's one way in which it differs from RRSPs generally. It offers opportunities and incentives to save. It's not just a savings vehicle; it is a pension plan. It's particularly appealing to Canadians who are employees of small and medium-sized businesses and self-employed individuals.

For employers, the PRPP allows SMEs to provide a pension plan to their employees, which they really couldn't do before because of the complexity, the administrative burden and the fiduciary requirements that the current pension system requires. It enables employers to put this as part of their benefits package in terms of wages, salaries and the pension plan.

Banks are well placed to deliver PRPPs to the small business community. We have a relationship with over a million small businesses in Canada, and it's a very good opportunity to lever that and offer new products to the customers with whom we've had a relationship for many years.

SMEs across the country can have access to information about PRPPs and how they work. The broad reach ensures that the target market for PRPPs is developed quickly and cost-effectively. Moreover, the banks can rely on the skills, resources and experience of their broader financial group to effectively deliver PRPPs.

One important factor that will be crucial in ensuring the success of the PRPP across the country is that there must be a sufficient number of participants so that a minimum efficient scale can be achieved. As a result, it's very important that Ontario implement legislation to ensure the PRPP has the critical mass to help ensure its success, not just in Ontario but across the country.

There must also be a high degree of regulatory harmonization across federal and provincial jurisdictions, and simplified and streamlined supervisory and regulatory requirements. You've heard that Quebec is going in a slightly different way. We're very pleased to see that in the Ontario budget there was a commitment to harmonization across the country in terms of the PRPP legislation.

The Chair (Mr. Peter Tabuns): You have one minute left.

Mr. Marion Wrobel: We've been long-time advocates for the PRPP and support Bill 57. We encourage the members of the committee and the Legislature to support this important legislation that will provide an accessible, low-cost and easy-to-use option for individuals who do not currently have access to a private sector pension plan.

I look forward to your questions.

The Chair (Mr. Peter Tabuns): Thank you very much. First question goes to the third party. Ms. French.

Ms. Jennifer K. French: Thank you very much for joining us here today. I appreciated hearing your words. I also have some questions.

One of the terms that you used, harmonized and well-designed plans—in the interest of harmonizing all of the different initiatives that are currently out there or upcoming, as we see with the ORPP, do you have thoughts on how all these initiatives can kind of be coordinated so as to be not competitive, so they can be optimized?

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Mr. Marion Wrobel: I made that observation from the perspective of a bank—financial institution—that operates across the country and wants to offer a PRPP to its customers in every province and territory in which it operates. If the rules differ from province to province—in

some cases, the differences may seem trivial to the legislator or the regulator writing that—it makes it very difficult to offer a single plan across the country. We have to comply with the various requirements in different jurisdictions. Therefore, from our point of view, that kind of harmonization is crucial to making this work.

Ms. Jennifer K. French: Thank you. Also, to the point about being able to effectively deliver this plan, you mentioned minimum efficient—

Mr. Marion Wrobel: Scale.

Ms. Jennifer K. French: —scale. What happens if we don't reach that efficient scale?

Mr. Marion Wrobel: As was mentioned earlier, there were a number of provinces that have introduced PRPP legislation—

The Chair (Mr. Peter Tabuns): One minute.

Mr. Marion Wrobel: —that I believe, with the exception of Quebec, is consistent with what you're doing here in Ontario. The size of Ontario makes it crucial to achieving that minimum efficient scale. Once Ontario is on board, I suspect the other provinces will come on board. That will be the key ingredient to enabling institutions to offer a PRPP to Canadians across the country.

Ms. Jennifer K. French: Is there a sort of magic number, in terms of critical mass that we would see low-cost or medium-cost or—

Mr. Marion Wrobel: The plans will be low-cost. There is a commitment by the industry and there is an expectation by government that it be low-cost. It will be delivered that way.

Just from the point of view of the institutions, I think it would be a lot easier if two thirds of Canadians can get a PRPP from a financial institution.

Ms. Jennifer K. French: Okay. Thank you.

The Chair (Mr. Peter Tabuns): We go to the government. Mr. Anderson.

Mr. Granville Anderson: Thank you very much for coming this afternoon. What benefits would Ontario employees see if the PRPP were to be implemented? The second part of the question is: Would the ORPP prohibit small and medium-sized employers from now signing up their employees to become a part of the PRPP?

Mr. Marion Wrobel: Let me answer the second part first.

Mr. Granville Anderson: Okay.

Mr. Marion Wrobel: As we look at the two, the ORPP and the PRPP, they're both obviously priorities for the government. But it's important for the two to be well coordinated so that they complement each other and don't work at cross-purposes. I think making sure the PRPP is a comparable pension plan, for the purposes of the ORPP, is crucial to the success of the PRPP.

If, for example, we are asking a small business to perhaps work with a financial institution to implement a voluntary pension plan at the same time that a compulsory pension plan would not recognize it, the small business is going to have to ask itself some questions about whether it should participate in that or just have the compulsory plan apply to it. So making sure that the two work in harmony is very important.

In terms of the first part of your question—what are the benefits?—well, the benefits are that many Canadians who have a number of savings vehicles today don't have access to a pension plan. The PRPP is a pension plan that is different from a straight savings plan.

The Chair (Mr. Peter Tabuns): One minute left.

Mr. Marion Wrobel: It's associated with an employer, there are workplace deductions, there is locking in of the contributions. The employee can determine over time how much the contributions are going to be, but it is a pension plan. So we think of it as a very different and unique addition to what employees have today and what households have today in terms of how they can save for their retirement.

Mr. Granville Anderson: Do I have time left?

The Chair (Mr. Peter Tabuns): You have 30 seconds.

Mr. Granville Anderson: Okay. Would you say the PRPPs would be less costly to implement administratively, versus other plans that are currently available?

Mr. Marion Wrobel: Well, there is a commitment that the PRPP be a low-cost plan that's offered to employees. No one has put a number on what "low-cost" means, but you're probably looking at something that is comparable to—

The Chair (Mr. Peter Tabuns): Thank you, sir. I'm sorry to say that you're out of time with the government.

Mr. Marion Wrobel: Okay.

The Chair (Mr. Peter Tabuns): We'll go to the opposition. Ms. Martow.

Mrs. Gila Martow: Thank you very much for your presentation. I think that most people listening are left to wonder why we would need an ORPP if we have a PRPP that could be run with low administration costs and be movable across the country. We've all read stories about people in the States who can't change jobs, even though they've been offered a better job, or can't move to another state where somebody they'd potentially like to marry lives, because they can't lose their health insurance. It's not transferable, and they cannot risk losing it. Well, the same thing with pension plans: We want to have people comfortable to be moving across Canada and living across the country, and not just stuck in Ontario with an Ontario pension plan that is not movable.

What I would ask you is: What do you think the government could do to maybe encourage PRPPs instead of having very expensive administration associated with an ORPP? Could you see the government somehow use that funding and kick-start a PRPP? What kind of effort would be needed to get this program off the ground?

Mr. Marion Wrobel: I don't think the government needs to kick-start it, in terms of funding or anything like that. One of the things we have observed—you've heard from many people about the retirement savings gap. It's our sense that, for the most part, Canadians are saving well for retirement, but there are some pockets where they're not doing a good job, and part of it is that they lack an employer plan. What we have observed is that those households that do not have an employer pension

plan tend to engage more in discretionary savings than those that have an employer plan.

The Chair (Mr. Peter Tabuns): One minute left.

Mr. Marion Wrobel: So it's our view that if you produce a product like a PRPP that is appealing to them and that offers them something that other savings vehicles don't, they will take it up. They do make rational decisions if given the opportunity. So the PRPP, in our view, is a very useful and very valuable addition to the products that are already out there.

Mrs. Gila Martow: Fantastic. Again, I just want to comment one more time that the PRPP could be developed, especially if Ontario leads the way, into something that is very movable across the country, while an ORPP would be very difficult. Thank you.

The Chair (Mr. Peter Tabuns): Thank you, sir. We appreciate your presentation.

SUN LIFE FINANCIAL

The Chair (Mr. Peter Tabuns): We go to our next presenter, Sun Life Financial.

Gentlemen, as you know, you have five minutes to present and three minutes per party to answer questions. I'll give you a one-minute warning when you're running out of time.

If you'd introduce yourselves for Hansard.

Mr. Derrick March: My name is Derrick March. I'm with Sun Life Financial. I'm joined by my colleague David Whyte.

The Chair (Mr. Peter Tabuns): Proceed.

Mr. Derrick March: Mr. Chair, members of the committee, on behalf of Sun Life, I'd like to thank you for the opportunity to provide our perspective on Bill 57, An Act to create a framework for pooled registered pension plans.

As Canada's largest provider of defined contribution pension and savings plans, we have been constructively engaged with the government of Ontario on the issue of policy improvements to the Canadian retirement system to help ensure that all Canadians can adequately save for a good retirement.

We commend the government of Ontario for introducing Bill 57, as PRPPs will help strengthen Canada's retirement system by making pension plans available to those Canadians who do not currently have pension plan coverage in the workplace, and will thereby go a long way to closing a significant gap in Canada's retirement savings problem. By making low-cost plans available to many small and medium-size enterprises, PRPPs will effectively target those three million to five million Canadians who are most at risk of undersaving for their retirement years, including approximately 1.3 million Ontarians.

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Moreover, by moving forward with PRPPs, Ontario would be in harmony with other provinces, including Quebec, British Columbia, Alberta, Saskatchewan and Nova Scotia that believe that PRPPs will be an effective

measure to address the retirement undersavings problem. Ontario's adoption would be a very positive step forward so that ultimately all provinces and territories adopt PRPPs and that all Canadians have access to the same type of low-cost retirement savings vehicles in the workplace.

The benefits of PRPPs for employees are that they will provide working Canadians with a straightforward and affordable path to save gradually and sufficiently for a good retirement, through regular payroll deductions into a dedicated retirement savings plan. Employees will be able to start saving at their workplace right away, using low-cost, professionally managed funds. PRPPs are also portable from one workplace to another.

The benefits of PRPPs for employers are that they are simple and affordable to set up and leave the burden of plan administration to qualified, licensed plan providers. By removing these barriers and risks from the small employer, PRPPs will help them attract and retain the talented workers that they need.

While Bill 57 does not mandate that employers set up PRPPs, as they do in Quebec under the VRSP model, we believe that such a measure, which we refer to as universal access, would contribute to higher employee participation and ultimately help achieve the government's public policy objective.

Also, with Ontario also moving forward with the ORPP, we believe that it will be important that the PRPP and ORPP be coordinated in such a way as not to work at cross-purposes since they are both designed to address the same retirement savings gap, namely the retirement undersaving of some middle-income earners.

In conclusion, we believe that PRPPs are a positive step forward to effectively address the retirement undersaving problem in Ontario and encourage the government to move forward with Bill 57, with a view to possible enhancements to PRPPs in the near future, such as universal access, to help optimize its effectiveness.

Thank you very much. I'd be happy to answer questions.

The Chair (Mr. Peter Tabuns): Thank you. We'll go to the government. Mr. Potts?

Mr. Arthur Potts: Thank you, Mr. Chair. Thank you very much for appearing here to talk about this; an area of obvious great interest to your organization because you'll be on the marketplace selling them.

There's always that gap between people, where young people want to spend now on their families rather than save for the future, and that has been part of the gap. Do you see this encouraging more people to start saving earlier?

Mr. Derrick March: I absolutely do. You hit the nail right on the head in terms of young people not being as engaged in saving for retirement. They have many issues on the table that they look to. We would categorically see this as mandating that aspect of their savings at an early part of their life, which just makes sense.

Mr. Arthur Potts: Right. The voluntary nature of it—as an employer enters into these programs voluntarily—

would you anticipate having rules within the employment that employees must mandatorily participate, if there's a plan set up, as a condition of employment?

Mr. Derrick March: Yes, we would support that, absolutely; the element of auto-enrollment—that's what we call it in our business. If we look at statistics in the US, for example, where that element of participation is in place, you would have participation rates of approximately 85% of eligible people participating. Without it, that number can drop by about 50%, if we look at our traditional defined contribution type of plans.

Mr. Arthur Potts: I'm also very interested in the whole portability aspect. Would an employer establishing one plan—would the other employer have to be in the same plan or would they be in a different plan? How does that portability work between employers, within the province and across the country?

Mr. Derrick March: Portability in our business is actually quite common and quite easy to manage. The fact of the matter is that you have a number of providers across Ontario and across Canada who—this is what they do every day, all day long for thousands of existing small employers.

The Chair (Mr. Peter Tabuns): One minute left.

Mr. Derrick March: We're all very much aware, on the same page and working collaboratively to make sure that that portability feature is very easily done.

Mr. Arthur Potts: All right. Finally, around tax sheltering of retirement earnings, these obviously qualify as an RRSP would, so people would be able to save the taxes. Would you anticipate a large uptake? How much more revenue would the province and the feds potentially not have in their coffers because people were rightfully saving for their retirement?

Mr. Derrick March: That's an interesting question. I'm not sure I would have a stat off the top of my head, but thank you for asking.

Mr. Arthur Potts: Would it be significant?

Mr. Derrick March: It may.

Mr. Arthur Potts: Thank you.

The Chair (Mr. Peter Tabuns): To the opposition: Ms. Martow.

Mrs. Gila Martow: I think that that's sort of the crux of it. It's not the government's money; it's the people's money that they've earned. The government's job is to ensure that people are saving enough of their money so that the government doesn't have to then support them and have a net loss.

Everybody is being kind of polite, but if we have a PRPP across the country and maybe even legislate that companies of a certain number of employees have to provide it, what use do we have for an ORPP in Ontario, in your opinion?

Mr. Derrick March: It's a good question. We'd maintain that the two can certainly co-exist, but a well-structured PRPP will categorically have an impact on—sorry; let me put it in a different way. Uptake with a PRPP, if it is not considered an equivalent plan within the ORPP legislation, would significantly impact our ability to get the scale that we would need in the plan and to

provide a therefore longer term at low cost to those who are in the PRPP. So if the two don't harmonize in some way, shape or form—we believe that form should be in terms of it qualifying as a comparable plan—the PRPP mandate will be severely impaired, in our opinion.

Mrs. Gila Martow: My understanding from experts is that a PRPP would have lower administrative costs and be easier to have universality and portability between workplaces and across the country, plus, plus, plus. The only difference, in my opinion, between an ORPP and a PRPP is that the government can't touch the funding in the PRPP.

Mr. Derrick March: Interestingly, in terms of administrative costs to run the plan—

The Chair (Mr. Peter Tabuns): One minute left.

Mr. Derrick March: —PRPPs are moving into a structure that's already established by many lifecos and other institutions across Canada. The infrastructure is in place. We're already administering a similar type of plans. You had a previous question around the cost of ORPP. Quite honestly, that investment to create that infrastructure for ORPP, for all intents and purposes, could be banked as the infrastructure is already in place across Canada through PRPP legislation.

Mrs. Gila Martow: Thank you very much.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow.

Mrs. Julia Munro: Do I have time?

The Chair (Mr. Peter Tabuns): You've got 30 seconds.

Mrs. Julia Munro: Thank you for coming.

The Chair (Mr. Peter Tabuns): An economical use of that time. Third party: Ms. French.

Ms. Jennifer K. French: Thank you very much. Again, thank you for your presentation and for joining us here today. I wholeheartedly support the need to bring improvements to the retirement system.

I had some questions about the low cost. We just heard again about it being low-cost or a lower cost. Is that just overall or is that on the accumulation side versus the decumulation side? Can you speak to the costs?

Mr. Derrick March: Sure. When it comes to the idea of low cost, the actual cost of the PRPP—in its current structure, take the VRSP, for example. The cost is legislated. It is mandated down to us. So we have to figure out how to work our framework of providing great service that we offer on a regular basis to all of our plan members across that new group of individuals. From that perspective, we don't control the cost, although we certainly control the cost of running our own businesses. That's certainly something we're engaged in every day. The cost at the member level is actually something that's imposed on us as opposed to us deciding to impose it backwards.

When it comes to the decumulation phase, that's something, I'm going to say, a little bit different. It's a big issue in the Canadian marketplace right now in terms of where the baby boomers are going. We've got 1,000 Canadians retiring every day here in Canada. That's a big issue, and they all need help working through that decumulation phase of their lives. For that element we have infrastructure in place to manage, as we do today for our defined-contribution plan members as well.

Ms. Jennifer K. French: And will those who have been putting into the plan have various options—because the employer can choose a PRPP, but then do the members get that choice on the decumulation side?

Mr. Derrick March: Yes. They can either annuitize or they can—

The Chair (Mr. Peter Tabuns): One minute.

Mr. Derrick March: —register a retirement income fund or a life income fund so they have—

Ms. Jennifer K. French: But they'll have competitive options on that side?

Mr. Derrick March: That's correct.

Ms. Jennifer K. French: You had also mentioned about—or it might have been earlier, but the scope and scale. So I had asked an earlier question about employers who choose to pay into the pool, if you had any thoughts on those numbers. I understand the need to be competitive in terms of recruiting and retention, but is there a moral obligation? Are there employers who say, "Hey, this would feel good to pay in"? Do you have any—

Mr. Derrick March: Yes, it's a great question. So far our experience would be in Quebec through the VRSP, obviously, and to date we have seen that 15% of plans have actual employer contributions attached to the employee contributions, which we think is a good start, but we've got some work to do to improve on that as well.

Ms. Jennifer K. French: And are those matched or just opting in?

Mr. Derrick March: We define that as some contribution to the plan. The 2% is mandated by the legislation in Quebec at the employee level as a starting point, and it escalates over time. We find that 15%—we have some matching, some going higher, some going lower, so it's a little bit all over the map so far.

The Chair (Mr. Peter Tabuns): I'm afraid you've run out of time. Thank you very much for your presentation today.

Members of the committee, pursuant to an order of the House, the deadline to file amendments on this bill with the committee Clerk is 5 p.m. on Wednesday, April 29, 2015, which is pretty soon.

The committee stands adjourned until 4 p.m. tomorrow, April 28, 2015.

The committee adjourned at 1441.

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of Ontario**

First Session, 41st Parliament

**Official Report
of Debates
(Hansard)**

Tuesday 28 April 2015

**Standing Committee on
Social Policy**

Pooled Registered Pension
Plans Act, 2015

**Assemblée législative
de l'Ontario**

Première session, 41^e législature

**Journal
des débats
(Hansard)**

Mardi 28 avril 2015

**Comité permanent de
la politique sociale**

Loi de 2015 sur les régimes
de pension agréés collectifs



Chair: Peter Tabuns
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Tuesday 28 April 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Mardi 28 avril 2015

*The committee met at 1600 in room 151.*POOLED REGISTERED PENSION
PLANS ACT, 2015LOI DE 2015 SUR LES RÉGIMES
DE PENSION AGRÉÉS COLLECTIFS

Consideration of the following bill:

Bill 57, An Act to create a framework for pooled registered pension plans and to make consequential amendments to other Acts / Projet de loi 57, Loi créant un cadre pour les régimes de pension agréés collectifs et apportant des modifications corrélatives à d'autres lois.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. We're here to resume public hearings on Bill 57, An Act to create a framework for pooled registered pension plans and to make consequential amendments to other Acts.

Please note that no further witnesses have been scheduled after 5:15 p.m. today. Also, additional written submissions have been distributed to the committee.

To presenters: You'll have up to five minutes for your presentation; then there'll be nine minutes for questions rotated between the three parties. The first question today will come from the official opposition.

MANULIFE FINANCIAL

The Chair (Mr. Peter Tabuns): Sir, if you'd introduce yourself for Hansard, please feel free to begin.

Mr. Chris Donnelly: Hi. My name is Chris Donnelly. I'm here from Manulife.

Mr. Chair, members of the committee, thank you for the opportunity to speak to you this afternoon to share the views of my company on Bill 57, the Pooled Registered Pension Plan Act.

Worldwide, Manulife has helped millions of employees save more than \$80 billion using pension and workplace retirement savings accounts.

In Ontario, Manulife works with over 3,000 employers, unions and associations to provide almost half a million Ontario workers with registered workplace savings plans, including defined contribution pensions and group retirement savings plans.

On average, Ontario employees with access to a Manulife workplace savings account have an equivalent of 9% of their salary or wages deposited into their

registered workplace savings account each time they are paid.

These plans play an important role in helping workers achieve their retirement savings goals. The plans provide an easy and effective way to save for retirement, and they help ensure that these employees will have adequate income in retirement.

Fifty per cent of Ontario workers have access to a workplace savings plan. Approximately 15% of Ontario workers are self-employed and are generally not covered by workplace pensions or group savings plans. Of the remaining 35%, about half work for an employer with less than 50 employees.

PRPPs are designed to fill this gap and to provide the more than three million Canadians who are employed by small businesses with access to a workplace savings plan.

Large employers have human resources staff; small employers do not. It is usually the owner who has to think about things like pensions. Business owners are busy and they are not pension experts. They feel that setting up workplace savings plans are complicated and time-consuming. They also believe that pensions create an ongoing administrative burden.

PRPPs have been designed with small employers in mind. An employer with 50 employees can complete Manulife's online application process in under 30 minutes. After setup, Manulife takes care of interacting with employees, managing registration with the government and making all the annual regulatory filings. In a pension plan, these would be responsibilities of the employer. Most of the administrative burden has been shifted to the financial services company that provides the plan.

From the employee perspective, PRPPs have low costs and include savings options that automatically get more conservative as the employee gets closer to retirement. They are easy to understand, portable between employers and ideally between provinces, and offer access to guaranteed retirement income.

We believe that PRPPs have the ability to improve retirement income for millions of Canadians who do not currently have a plan and are therefore supportive of the bill. Thank you. That's it.

The Chair (Mr. Peter Tabuns): Thank you. Our first question, then: Ms. Munro.

Mrs. Julia Munro: Yes, thank you. In the analysis that you provided to us, and thank you for that, when you refer to people with 15 employees or fewer, is that—

Mr. Chris Donnelly: Fifty, five zero.

Mrs. Julia Munro: Fifty?

Mr. Chris Donnelly: Yes.

Mrs. Julia Munro: Okay—and that you would be able to do the paperwork in less than 30 minutes; is that correct?

Mr. Chris Donnelly: Yes. So, when they're setting up a plan, they can go to our website—there's no paper—and they can, in 30 minutes, enrol their employees and have the plan set up.

Mrs. Julia Munro: Because one of the features that we've identified with the PRPP is the fact that in small business, people don't have dedicated staff, and so relatively complex matters such as the details of a pension plan are not likely to be something that the owner really feels comfortable about.

Your support for this is certainly welcome, but the thing I wanted to ask you is: If this were to become accepted among the people who would be eligible, such as those under 50, would you be able to provide this across the country, or certainly across the province? Is that something your company would be able to do?

Mr. Chris Donnelly: Yes. We've been engaged in discussions with the government of Ontario, the federal government and all the provinces. I personally have been involved in discussions for probably about six years with regulators like the Financial Services Commission of Ontario and OSFI. Everybody has been working very diligently.

The Chair (Mr. Peter Tabuns): One minute left.

Mr. Chris Donnelly: The lack of coverage in the small business area is a recognized gap in the system. People have been very focused, and there has been, generally across all the political spectrum: New Brunswick, Nova Scotia—we've worked with the NDP government there and the government here in Ontario. People have been generally supportive of the concept of PRPPs.

The Chair (Mr. Peter Tabuns): Ms. Armstrong.

Ms. Teresa J. Armstrong: First, Mr. Donnelly, I'd like to thank you for coming today and presenting to the committee. One of my inquiries would be if you could further explain the differences between a PRPP and a group RSP, and whether there are any benefits to employees to have the additional option.

Mr. Chris Donnelly: Sure. A group RSP is more difficult to set up from an employer perspective: There is more paperwork, and there is more choice for the employer. The employer is still kind of the person who sets up the plan, so they have to choose the investment options; they have to make some choices.

PRPPs have been designed to be kind of off-the-shelf solutions: highly regulated and kind of in a box, almost. There's not a lot of choice in the product design, and that's a feature that employers wanted. They didn't want to have to make decisions about investment options; they're not investment experts or anything. So the providers work with the regulators—with OSFI and with the financial services commission—to design an investment portfolio that is appropriate for most people. That's one key difference.

Another key difference is that contributions to a pooled registered pension plan are not subject to EI or CPP. Group RSP contributions by the employer are subject to those payroll taxes or payroll contributions—whatever they are.

Ms. Teresa J. Armstrong: Can you describe the value of increasing the available options to Ontarians, and also answer if you would support the creation of a universal public plan—you had talked about the PRPPs being province-wide. On those two points, could you elaborate on the value of increasing available options to Ontarians and whether or not you would support creating a universal public plan?

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Chris Donnelly: I'll go with the last question, because I can't remember the first question. I think your question is about universality across Canada, or is it about—

Ms. Teresa J. Armstrong: Ontario, for our purposes.

Mr. Chris Donnelly: Ontario. In Quebec, the government has made a policy decision that employers should offer access to a workplace savings plan. One of the things about PRPPs that is particularly attractive to smaller businesses is that there's not a lot of administrative burden to set them up. Ongoing administration is maybe a couple of hours a year, and there's no required financial contribution.

In the US, for 401(k) plans, it's kind of similar—

The Chair (Mr. Peter Tabuns): I'm sorry, but your time is up for this questioner.

We go to the government. Ms. Albanese.

Mrs. Laura Albanese: Thank you for being here today, and for your presentation. You were mentioning that you've been in discussions for several years with different provinces, and I was wondering if you could elaborate on that.

Mr. Chris Donnelly: Sure. The PRPP kind of arose out of discussions between the federal government and the provinces—the finance ministers getting together every six months.

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Particularly after the 2008 financial crisis, there was a real concern around financial retirement and financial savings products. There was analysis done by the federal government and also by the government of Ontario that found that a significant minority of Canadians aren't saving sufficiently for retirement but that, overall, the system was working well for the majority of people. That suggested to folks that it didn't require a massive overhaul.

There were a number of solutions that could be targeted at certain problems. One of the problems was that small businesses don't offer access to savings plans, and workplace savings plans are very good because they're very simple for people. It's like if I never notice the income coming into my bank account, it's a lot easier for me to save, right? It's just taken off my paycheque. It never goes through my bank account, so I don't have to worry about cutting a cheque every month.

Mrs. Laura Albanese: And this would include the self-employed as well?

Mr. Chris Donnelly: Yes.

Mrs. Laura Albanese: Do you think that would benefit the self-employed as much as the small businesses or—

Mr. Chris Donnelly: It's interesting: The self-employed may choose to access a PRPP—there are some benefits to it. The self-employed also have access to other types of savings plans.

The Chair (Mr. Peter Tabuns): One minute left.

Mr. Chris Donnelly: It's our belief that it's going to be picked up more by the small business owner with a number of employees.

Mrs. Laura Albanese: Okay. Thank you very much.

The Chair (Mr. Peter Tabuns): Thank you very much, sir.

ONTARIO CHAMBER OF COMMERCE

The Chair (Mr. Peter Tabuns): We'll go to our next presenter, the Ontario Chamber of Commerce.

Gentlemen, as you've heard, you have five minutes to present, and then we rotate the questions among the parties. If you'd introduce yourselves for Hansard, we can begin.

Mr. Liam McGuinty: Hi, everyone. My name is Liam McGuinty. I'm the interim vice-president of policy and government relations at the Ontario Chamber of Commerce. I'm here with Scott Boutilier, who is a senior policy analyst at the OCC.

Bonjour. On représente la Chambre de commerce de l'Ontario. I just said that to keep her on her toes.

We're here on behalf of the Ontario Chamber of Commerce. We represent 60,000 businesses—every sector, every region, every business size—across the province. Scott will provide you with our full thoughts on the PRPP, and then we're happy to take your questions.

I think that, overall, our message today is that we're very supportive of Bill 57. We're very encouraged that the government has taken a step in the right direction on PRPPs, so we are very grateful for that. There are questions around parameters that we need to talk about, and we want to give you a sense, from our perspective—especially from the small business perspective—of why we think this is the right thing to do.

I'll pass it on to Scott.

Mr. Scott Boutilier: Thanks, Liam. As Liam mentioned, our mandate, really, is to promote a better business climate in the province and to champion policies that spur economic growth. So we're here to voice our support of this bill.

We're really pleased to see that the government is creating a legal framework leading to the establishment of a PRPP regime in Ontario for a few reasons. PRPPs are low-cost, flexible, professionally managed and transferable pension plans that will provide opportunities to those Ontario workers, including the self-employed,

who don't currently have access to any type of workplace pension plan.

Our first main reason, as I mentioned, is that PRPPs offer employers flexibility. Ontario businesses, as I'm sure you are well aware, are still recovering from the economic downturn. Growth projections for the province look promising, but our emergence is not yet assured, and businesses—at least some businesses—are still struggling.

PRPPs allow employers to adjust their contribution rates over time, to a certain degree. We consider this design feature as positive, because it recognizes and accommodates employers' changing financial circumstances and provides them with a degree of flexibility that just simply isn't available to them with other types of pension options.

Secondly, as I mentioned, PRPPs are low-cost. They're administered by a financial institution, and so employers have limited fiduciary responsibility vis-à-vis the performance of their investment options. This is quite different from other workplace pension plans where the fund is managed by the employer.

The low administrative burden of PRPPs is really what makes them such an attractive option to employers seeking to contribute to their employees' savings. This low burden is also why many small businesses, in particular, would be likely to view the PRPP more favourably than more conventional workplace pension plans.

The third reason why we like this bill and PRPPs in general is that they create economies of scale. By enabling financial institutions to offer pooled investment options to a multitude of employers, PRPPs facilitate economies of scale, which enable fund managers to offer high-quality, professionally managed funds to PRPP participants for a lower fee.

For all these reasons—low cost, economies of scale and flexibility—Ontario businesses are strongly supportive of the government's move to create a legal framework for PRPPs through this bill. In fact, in a recent survey of our membership, 86% of employers were in favour of Ontario pursuing this option. Really, to garner that level of support for any government initiative is remarkable, and so the government should be applauded for responding appropriately.

Thank you and happy to take your questions.

The Chair (Mr. Peter Tabuns): Thank you very much. Questions: to Ms. Armstrong.

Ms. Teresa J. Armstrong: Thank you for coming in today and presenting. I appreciate the opportunity to ask you some questions on your perspective on this. Again, could you provide further explanation about the differences between a PRPP and a group RSP and whether there's actually any benefit to employees to have this additional option as a retirement savings?

Mr. Liam McGuinty: Sure. The previous presenter from Manulife I think summed it up quite well. PRPPs are, for the most part, an off-the-shelf product. You can think of it that way. It's a simple choice for employers to make. The investment options are largely set, and it's not subject to payroll taxes, EI and CPP in particular.

Group RSPs: there's a little more paperwork involved. There's more choice in it for the employer, so the administrative burden is slightly higher. I hope I'm summarizing that well as I look over to my colleague from Manulife, but that is our understanding of the principal differences.

Ms. Teresa J. Armstrong: On that note, just to clarify, what are the administration fees under a PRPP, as we know what's proposed, compared to the group RSPs?

Mr. Liam McGuinty: I can't speak to that level of detail. I'm sorry.

Ms. Teresa J. Armstrong: Okay. Last question: If you see value in increasing available options to Ontarians, such as we're discussing, do you also support the creation of a universal public plan with regard to retirement?

Mr. Liam McGuinty: We've been on record in terms of our comfort with the various options out there for retirement savings, so I don't want to rehash what we've talked about previously. I would say that the PRPP is very much a welcomed mechanism to be injected into the retirement income savings landscape. If we were looking at universality between the options that exist out there—

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Liam McGuinty: —strong preference is for an enhancement of the CPP. If we're looking at the universal options that are out there—and the reasons for that are fairly obvious, which is, it would affect every province equally. So we wouldn't be putting Ontario at a competitive disadvantage, and employers that operate in multiple jurisdictions wouldn't have an onerous burden when operating in one province versus the other. That's how I'd respond to the universality question.

Ms. Teresa J. Armstrong: Yes. Unfortunately, the federal government doesn't see it that way. Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Armstrong. Ms. Albanese.

Mrs. Laura Albanese: Thank you for being here this afternoon and for presenting to our committee and sharing your views.

You mentioned that you have done a survey amongst the members of your chamber of commerce—and I don't know exactly how many members you have, so it would be good to know if you can say that in your response—86%; am I correct—

Mr. Liam McGuinty: That's correct.

Mrs. Laura Albanese: —were in favour?

Mr. Liam McGuinty: That's correct, yes.

Mrs. Laura Albanese: As we know, one of the key features of the PRPP is the voluntary participation and contribution by the employer. I don't know what kinds of questions were asked. Was there any indication of how many employers would be willing to contribute?

Mr. Liam McGuinty: That's a great question. Let me give you a bit of background on that survey. That was a February 2014 survey on PRPPs, so we're looking at about a year and change. When asked, "Should Ontario pursue options like PRPP?", 86% were in favour. I'm just

looking through the results now. I have them in front of me.

We had a question around, "Should employers who offer a PRPP be required to contribute to the plan?", which I think is very much in line, and the majority said no. Part of the reason why the PRPP is viewed much more favourably is because of the voluntary nature, as you suggested—

Mrs. Laura Albanese: The flexibility.

Mr. Liam McGuinty: And as Scott mentioned, it factors in employers' ability to pay. So a mandatory plan—you're an employer, you're going through tough times, you're still contributing no matter what. This gives you a little more flexibility. I understand the counterside of that, but I think you need to consider the Ontario context, which is that we're very much still in a recovery phase. This is aimed particularly at small businesses, which need that flexibility.

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Mrs. Laura Albanese: Okay. My question was more to get an idea of how many, in ideal circumstances, would be willing to contribute if they were not facing a difficult situation.

Mr. Liam McGuinty: That's a good question. I wish I had the answer to that question.

Mrs. Laura Albanese: Maybe in the next survey. In general, you stated that you think that this would be favourable and would be supported by small and medium-sized businesses in Ontario?

Mr. Liam McGuinty: We do one of the largest surveys of business opinion in the country, and this one had 1,000 respondents, which is pretty significant, actually. You're looking at an 86% support rate for a PRPP. That is extremely high. You rarely see that level of support for any of our survey questions, so that, I think, is something that the committee should take note of.

Mrs. Laura Albanese: Thank you very much.

The Chair (Mr. Peter Tabuns): Mrs. McGarry, you have 25 seconds.

Mrs. Kathryn McGarry: Just a quick question on the self-employed and how it might benefit somebody who is self-employed.

Mr. Liam McGuinty: I'm looking over at Chris here. My understanding is that the PRPP can be made available to the self-employed, so that would be a good aspect of the plan. I hope that's correct.

Mrs. Kathryn McGarry: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mrs. McGarry. Ms. Martow.

Mrs. Gila Martow: I just want to thank you for coming in. I recognize you both from when you came together last time for deputations on the ORPP. I just want to reiterate that this has a lower administrative burden and less need for HR staff. It enables economies of scale due to the low fees, and increased flexibility, which means you can go across the country and change jobs with different employers. It can be voluntary; I put a question mark because I think Quebec isn't so voluntary. And the businesses support it.

What's the downside to having pooled pension plans versus a government-mandated pension plan with high administrative costs that is not flexible and not supported by the business community?

Mr. Liam McGuinty: Well, I'll let the government answer that question. There are a few things I want to make sure of. Quebec offers the VRSP. I believe enrolment is mandatory but contributions are not mandatory.

Mrs. Gila Martow: Okay. Flexible contributions.

Mr. Liam McGuinty: Yes. You have to offer the plan but you, as an employer, don't necessarily have to make contributions to that plan. That's how the VRSP works.

Interjection.

Mr. Liam McGuinty: Chris from Manulife is nodding. I take that as a good sign.

I think I know where you're getting—part of the question we need to think about is this comparability aspect of the ORPP. That's a question for the folks around this table: What's comparable and what's not? That will be something that we tackle over the next months and years, I would suggest.

Mrs. Gila Martow: Because I think our concern over here on this side of the table—and I want to remind everybody that my colleague Julia Munro introduced exactly this as a private member's bill—in what year?

Mrs. Julia Munro: In 2013.

Mrs. Gila Martow: In 2013, so just before I joined, I guess.

Our concern is that the government is going to be able to use this money to fund what they call investments, but it's not necessarily a good investment for people holding the pensions. We would like to see it invested by experts for the best return.

Mr. Liam McGuinty: Right. I think the point I would make again, with respect to the nature of the question, is: The reason this is so popular and other proposals are not as popular is because of the voluntary, flexible nature of it. As the previous commentator noted, you're looking at 30 minutes, maybe a couple of hours a year in administrative time. For a small businesses with two or three employees, that is extremely important.

Mrs. Gila Martow: Excellent. Thank you so much for coming in.

The Chair (Mr. Peter Tabuns): Thank you very much.

Mr. Liam McGuinty: Thanks, everyone.

ACTUARIAL SOLUTIONS INC.

The Chair (Mr. Peter Tabuns): Our next presenter is Actuarial Solutions. Sir, as you've heard, you have five minutes to present and up to three minutes of questioning per party. If you'd introduce yourself for Hansard.

Mr. Joe Nunes: Thank you. My name is Joe Nunes. I want to thank you for giving me the opportunity to speak to you about Bill 57, the Pooled Registered Pension Plans Act. I'm a fellow of the Canadian Institute of Actuaries. Prior to graduating from the University of Waterloo, I was a co-op student with the province of Ontario, report-

ing to the actuary responsible for the Ontario Teachers' Pension Plan and the Ontario Public Service Pension Plan.

In 1988, I joined Mercer full-time, followed by work at a boutique consulting firm in Scarborough, finally establishing Actuarial Solutions, where I am president, in 1998. My company provides actuarial, consulting and pension administration services to clients ranging from small businesses to multinational corporations.

My entire career has been spent working in the area of pensions, where I have gained considerable experience both with defined benefit and defined contribution plans. I am making this presentation as a qualified professional with expertise in the area of pensions.

I understand that the government of Ontario is concerned that Ontarians are not saving enough for retirement. I also understand that the government would like to make saving for retirement more cost-effective for Ontarians. While I appreciate what the government is trying to do, I have a number of concerns with this approach.

First, there is no clear strategy. The government is in the process of consulting with the pension industry on target benefit plans and is moving ahead at the same time with both pooled registered pension plans and the Ontario Retirement Pension Plan. There is no clarity within the industry on how all these pieces are expected to fit together. Plan sponsors have no sense of direction on what they should do to assist employees in securing an adequate retirement income.

Second, it's my understanding that one of the key objectives of PRPPs is to provide more cost-effective governance and investment structure for employer-sponsored retirement savings. It is unclear to me how adding another program to the landscape and further spreading assets among administrators and investment managers will achieve this goal.

Third, pooling of assets on a larger scale has the potential to reduce costs per dollar invested. However, larger funds tend to develop specialized investment arms focused on large-scale investments that justify the size of their assets and also develop increasingly complex governance structures. These larger management structures will offset some or all of the expected efficiencies.

Fourth, larger programs with leaner administration provide less customized investment options and retirement planning services to members. In the end, I am convinced that pension plan members need more help in planning for retirement, not less.

In order to make sense of everything, it's my recommendation that the government of Ontario take the following steps:

- (1) Clean up the existing legislation for defined benefit plans. That means simplification, harmonization with other provinces and the elimination of Ontario-only ideas such as "grow-in." Solvency funding also needs a fresh look. Well-intentioned efforts by the government to provide adequate benefits and to protect the benefits of members of defined benefit plans have introduced enormous complexity into these programs and have made the

cost of funding these programs highly unpredictable. Pension plans were not intended to be insurance companies, and the continued push by regulators in that direction is putting private sector defined benefit plans out of business.

(2) Move more quickly on allowing private sector employers to sponsor target benefit plans. These plans provide members with pooling of investment and longevity risks, but do not place these risks on employers.

(3) Make plan member participation mandatory once an employer offers a PRPP. Without mandatory member participation we will be creating another separate program with partial participation, thus limiting the pooling of assets over which costs can be spread.

(4) Defer the introduction of the Ontario Retirement Pension Plan until the foregoing improvements in the system have been made and given time to take hold.

Thank you for considering my comments. I will be happy to answer your questions.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nunes. First question to Mrs. Albanese.

Mrs. Laura Albanese: Thank you very much for being here this afternoon and for sharing your views with the committee.

I see here that you have at least four specific recommendations. I was wondering if you could elaborate a bit on point number one, "Clean up the existing legislation for defined benefit plans."

Mr. Joe Nunes: If you look back, I started in this business in 1986, and we were having Bill 170 to amend the Pension Benefits Act of Ontario. Again, there were hearings at that time and, I think, well-intentioned efforts to improve the minimum benefits that members would receive, so moving from 45-and-10 vesting to two-year vesting; and in theory, even the act originally provided for indexation of benefits—so a lot of good ideas. But in practice, those ideas, combined with more rigorous insurance company-style funding regulations around solvency, just pushed these plans into higher and higher costs, not only the cost of funding the benefits but the cost of administering the complexity, especially since every province went in a slightly different direction.

Mrs. Laura Albanese: I see. Would you agree that the implementation of the PRPP would be beneficial to the self-employed and for small businesses? Does it address a gap, in your view?

Mr. Joe Nunes: Yes, I think definitively the PRPP—self-employed I'll leave out; it's probably good for them, but for small business, I think it is a really good answer.

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You heard from previous speakers that there is a massive administrative efficiency in the PRPP model for an employer to sign on and spend a few hours a year playing their role. It's not been said by the prior speakers, but the magic in the PRPP is that you're transferring the fiduciary responsibility of the administrator—

The Chair (Mr. Peter Tabuns): You have one minute left.

Mr. Joe Nunes: —from the employer to the carrier, which could well be one of our large insurance companies. I would argue that those large insurance companies are better equipped to play that role than the average employer running some sort of a widget factory.

Mrs. Laura Albanese: One last comment on your point number three: "Make plan member participation mandatory once an employer offers a PRPP."

Mr. Joe Nunes: Right. There have been questions about RSPs, etc. The big challenge in retirement savings—I think Harry Arthurs, when he had his commission, looked at this—is, how do you accumulate large buckets of assets so that you can spread costs over those buckets? You start adding another program somewhere where partial groups participate and you're not going to get the large assets. At the same time, if the government's concern is that people aren't saving—

The Chair (Mr. Peter Tabuns): I'm sorry to say that we've run out of time with these questioners. I have to go to the opposition. Ms. Munro.

Mrs. Julia Munro: Can I ask you to finish the sentence?

Mrs. Laura Albanese: Thank you.

Mr. Joe Nunes: Oh man, I lost my thought.

Mrs. Laura Albanese: "At the same time"—

Mr. Joe Nunes: At the same time, if what the province is concerned about is that people aren't saving for retirement, making another program that's voluntary for people to maybe go in and maybe not go in, you're just not going to help the people who probably need the most help, which are the people who refuse to save, unless forced to save.

Mrs. Julia Munro: Thank you very much for your presentation here today. It sort of opens up the issue beyond, immediately, the PRPP. I wanted to ask you: When you talk about there being no clear strategy, does that somehow rest on the issue in the Ontario pension legislation of a comparability that hasn't been defined for us? Is that an issue in terms of the strategy?

Mr. Joe Nunes: There are several issues. One is that originally maybe the strategy was to expand the Canada Pension Plan. Now we have an ORPP. We're not really clear on what's in and what's out in terms of exclusions. We're not really clear if an employer should be setting up. At this point, employers are sitting on the sidelines, unsure if they should set up a defined contribution plan, because they're not sure how it fits the whole landscape.

Then there's the whole issue of target benefit plans, which New Brunswick has marched ahead with. That's a very viable vehicle in some sense for some employers. It would, in theory, under the current proposal, be excluded from the ORPP, so I think employers are interested in that, but they don't know what the rules are or how to get there.

Mrs. Julia Munro: You mentioned something about optimum size—

The Chair (Mr. Peter Tabuns): You have a minute left.

Mrs. Julia Munro: —in the second bullet point, where you indicate that it's unclear how adding another

program—so I took from that the challenge of an optimum size. Does the PRPP really hinge on an optimum size, or can it be delivered successfully to a wide—

Mr. Joe Nunes: In fairness, the gentleman from Manulife is a better person to answer it, but I think I agree with what he's saying, which is that for small employers with two, three or five employees, the PRPP is going to become the ideal vehicle to help their employees save for retirement. The employer is going to have a lot lower administrative burden as compared to either a group RSP or any sort of traditional registered pension plan.

The other thing that I think may not be clearly said in my presentation is that it's a little bit of a myth that if we pool all the assets into bigger and bigger piles, we're going to get a massive—

The Chair (Mr. Peter Tabuns): I'm sorry to say, but you've run out of time again. You're very thorough. I appreciate that. We'll have to go to Ms. Armstrong.

Ms. Teresa J. Armstrong: Thank you, Mr. Nunes, for coming in. I appreciate your expertise on this because you've really elaborated on the PRPP from the other two presenters, on some of the pros and cons. But one particular item I wanted to look at was number two in your four suggestions at the end of your presentation: "Move more quickly on allowing private sector employers to sponsor target benefit plans." Can you describe why you think that is an important piece in the pension planning process, allowing the private sector to move more into the targeting of benefit plans? Because we've got the defined contributions and then defined benefits. Can you just clarify?

Mr. Joe Nunes: Sure. In a nutshell, defined benefit puts the investment risk back on the employer. Employers have pretty much told us for 20 years that they're not interested in that investment risk anymore and are working their way out of defined benefit plans. It's disappointing to me, but a fact.

Defined contribution plans put the investment risk not only on the employees but on each individual one at a time, based on their pool of assets and the investments selected for them either by themselves or by an adviser.

The target benefit plan is the middle ground. The target benefit plan is the ground where people can pool all of that investment risk among a series of investments, hire more capable advisers to manage a bigger pool of assets than their \$5,000 or \$10,000 or \$50,000 that they have on their own, but the risks don't shift back to the employer. The employer can sit back and say, "Okay, this fund will get managed by prudent people for the benefit of the employees but they'll share the risk." It's an insurance concept of pooling and it fits nicely in that spectrum of defined benefit versus defined contribution.

The ORPP is intended to be that kind of pooling thing. The difference is, rather than shifting it to the employer you shift risk to the taxpayer.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Teresa J. Armstrong: If you'd like to add anything else in your minute, feel free.

Mr. Joe Nunes: No. I wish you all the best.

Ms. Teresa J. Armstrong: Thank you.

The Chair (Mr. Peter Tabuns): Thank you. Thank you Ms. Armstrong.

Mr. Joe Nunes: Thank you.

CUPE ONTARIO

The Chair (Mr. Peter Tabuns): Our next presenter then is CUPE Ontario. Wynne, as you may have observed, you get five minutes to speak—

Ms. Wynne Hartviksen: Yes, and you'll cut me off.

The Chair (Mr. Peter Tabuns): —up to three minutes per party. I'll give you a one-minute warning.

Ms. Wynne Hartviksen: Thank you. My name is Wynne Hartviksen. I'm the executive assistant to the president of CUPE Ontario, Fred Hahn. Fred is at a number of day-of-mourning events today and sends his regrets for not being able to address the committee on Bill 57 personally.

CUPE Ontario, as many of you know, represents 240,000 workers across the province in health care, municipalities, school boards, universities and social services.

CUPE Ontario is opposed to Bill 57, which enables pooled registered pension plans, or PRPPs, first introduced by Stephen Harper's federal Conservatives to stop the push for an expanded CPP. Our primary reason for opposing Bill 57 is that we believe it falls into the political trap set by Stephen Harper, whose government wants nothing more than to stop provincial efforts—originally led by Ontario—to expand the Canada Pension Plan.

Unlike Mr. Harper, CUPE members know that the expansion of CPP is critical to workers' retirement income security all across the country. Our members have been proud to support the Canadian Labour Congress's campaign to double the CPP to ensure a better minimum pension for all Canadians, financed through a modest and gradual increase in contributions over seven years. A better minimum pension for all in a publicly run system that is universal, has a defined benefit and is portable across Canada: That's what CPP expansion is. It's what we need. The current provincial government has acknowledged that an expansion of CPP is the preferred method for dealing with retirement income security.

We all know there is a looming crisis. We all know Ontarians are not able to save enough on their own for retirement. We all know that voluntary, private savings vehicles like RSPs have not proven the answer to ensuring retirement income security for the vast majority of workers. Why do we think PRPPs would be any different?

In CUPE, we also know that private investment vehicles like RSPs and PRPPs have higher financial service costs and, frankly, seem designed to deliver investment returns into the hands of banks and the financial

services industry rather than into workers' pockets at retirement.

We know that PRPPs, as envisioned by this legislation, require no obligatory employer contribution and thus, for average working and middle-class Ontarians, would likely not result in contribution levels required to ensure retirement income security.

We know there is no defined or guaranteed benefit in a PRPP, so really, why are we here? Why is Bill 57 before us? Who exactly does it benefit to enable Mr. Harper's PRPP scheme to thwart CPP expansion? Other than the Prime Minister, it does seem that the financial services industry could benefit.

While only a minority of Canadians put away money in voluntary savings vehicles like RSPs and tax-free savings accounts, there still is money to be made charging them fees for doing so. In fact, from everything from ATM fees to investment fees and brokerage charges, the financial services industry has done a pretty good job of creating vehicles to service-charge their way to record profits. Do they really need another one? If, as the case has been made by some, small businesses that don't have workplace pension plans want to offer their employees some type of pension, wouldn't an expanded CPP or a universal ORPP be the better vehicle?

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CPP would be cheaper. It offers more security. It has no extra administrative burden because small business employers are already paying the CPP. It has a defined benefit which guarantees workers retirement income security. If retirement income security is your primary goal, the CPP is a far better vehicle than PRPPs. If we can't achieve that, then a universal, mandatory ORPP is a better vehicle than PRPPs.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Wynne Hartviksen: Sure. Thanks. CUPE Ontario does not consider PRPPs to be pension plans. The plans are not mandatory, employees may opt out of them individually, and there are no contribution obligations and no real benefits upon retirement.

It's not a pension plan, yet Bill 57 proposes amending the Pension Benefits Act to include PRPPs in the legal definition of pension plans in Ontario. By enacting Bill 57, the government is legitimizing the PRPP as a real pension plan, which will have significant political consequences and further jeopardize the push to expand the CPP.

That is, we believe, precisely the trap the federal Conservative government wants Ontario to walk into. We ask the government to avoid the trap and to not pass Bill 57.

The Chair (Mr. Peter Tabuns): Thank you. The first question goes to Ms. Martow.

Mrs. Gila Martow: Thank you so much for coming in and for your talk. Fred Hahn was here to speak on the ORPP, and what I recall him stating is that he felt that employees can't afford to contribute more than employers. He's worried about job losses, was what he had said. He did speak favourably about expanding the CPP.

We've been hearing hours of deputations on pensions in general, and what it seems to come down to is that nobody wants employees to have to pay, nobody wants employers to have to pay and nobody wants the taxpayers to have to pay. So it's a little disappointing that we can't just focus on kick-starting the economy, getting energy rates down and getting some well-paying jobs. Then, obviously, I think that most employers do want their employees to have a pension plan because they feel, in a competitive job market, that it's actually another vehicle to hold onto good employees.

So I just wanted you, in your experience with CUPE—do you feel that by offering a pension plan in a competitive job market, where there is a need for skilled workers, we see that there are good pension plans offered?

Ms. Wynne Hartviksen: I just want to clarify the point around Fred's position on Bill 56. I was actually here with him at the hearings and I am well aware of CUPE Ontario policy on the issue, passed by our members, democratically, at our convention, which says that we actually favour a mandatory, universal ORPP if we can't expand CPP—which includes our members, many of whom contribute to workplace pension plans of all varieties—

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Wynne Hartviksen: —actually contributing more money. Our members made that decision. They understand that. They do want their employers to match it as well, as we see is only fair, but they actually want to pay more. They want into the ORPP. They don't want to be excluded from it, because they know—

Mrs. Gila Martow: Why? I'm sorry—

Ms. Wynne Hartviksen: —ultimately, it's better for them as workers.

Mrs. Gila Martow: Okay, so I'm just going to sidetrack a little bit. Why is it only fair for the employers to match the contributions or to contribute as well?

Ms. Wynne Hartviksen: Because that's actually the contribution that's needed. The entire pension promise and retirement income security can't rest solely on individual workers. It must be a collective purchase by all of us for our own economic security as people move into retirement. We've seen the impact of defined benefit pension plans economically in communities all across Ontario, from big to small. So actually, having us all contribute, we understand in CUPE, helps us all do better in the end.

The Chair (Mr. Peter Tabuns): I'm afraid you're out of time. Ms. Armstrong.

Ms. Teresa J. Armstrong: Thank you very much for coming in today and giving the workers' perspective and how it's important to collectively contribute to pension plans in general for the success of the pension plans' outcome.

You've very much clearly described that if we can't have a better CPP enhancement, ORPP universally would probably be the best option to do that. But could you

describe what the feeling is about this bill, the PRPP, if it's passed, and how it would be harmful to the ORPP?

Ms. Wynne Hartviksen: Well, I think on a couple of levels. First of all, a number of other speakers have talked about the comparability question. While the current finance minister has said that PRPPs would not be considered comparable under the current plan, it doesn't mean that one day they won't. They don't offer the type of retirement income security that a universal public plan would, so there would be that.

I also think that this is a political game. PRPPs were a political invention at a federal level—that's what they were—to try to avoid the rightful push from provincial governments, from citizens and from workers for an expanded CPP, which has proven to be the best retirement income security vehicle in Canada that we've ever had.

I think that by enabling this and allowing the critics of CPP expansion to say, "See? There's something else. You can voluntarily opt into it and it will all be fine"—even though your employer isn't going to contribute, and even though you probably won't have contribution rates that will get you the income you need in retirement. It's a bit of a show. I truly don't understand why we're here. I don't know why we need this vehicle when RRSPs, group RRSPs, which oftentimes allow you access to mutual funds and all those other financial services options, are available.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Teresa J. Armstrong: So based on that, quickly, then, do you believe that PRPPs fill any existing gap in our retirement security system right now? Is there any benefit to having a PRPP exist?

Ms. Wynne Hartviksen: No, not when you consider that there could be an expanded CPP that would actually better fit the concerns, in particular for small businesses and those who are not covered by any kind of workplace plan.

Ms. Teresa J. Armstrong: And the people that you represent, they've expressed that the PRPP is not an option that they see as viable?

Ms. Wynne Hartviksen: By motion of our convention.

Ms. Teresa J. Armstrong: I wasn't here for the whole committee, but it would be interesting to see if people who are going to be participating actually came and gave deputations on their thoughts. Thank you very much.

The Chair (Mr. Peter Tabuns): Okay. Thank you, Ms. Albanese?

Ms. Laura Albanese: Thank you for your presentation, for appearing before our committee this afternoon, and for talking about your union's view or approach on how to solve this retirement crisis that we face here in Ontario—and at least I know that you agree with that. We do appreciate your comments about the CPP and how beneficial it would be to have an enhanced CPP.

My question, I guess, would be: How do you see the self-employed function in a situation without an option of a PRPP?

Ms. Wynne Hartviksen: There are some mechanisms for the self-employed to opt into the CPP, which, ultimately, again, given the portability—the ultimate portability of any pension plan is the CPP, because it travels with you wherever you go across Canada. It travels with you if you're self-employed today, employed in a private sector employer 10 years from now and 10 years after that employed working for the government of Ontario. The CPP is with you through that whole journey in your work life experience.

We know that over the course of people's careers there are those pieces of movement. Given that, the universal plan, and in particular opening it up to more self-employed people—there are a number who I understand are currently excluded—would be our preference.

Mrs. Laura Albanese: You've heard from different members in the government saying, "This is just another tool. This is another vehicle that is trying to address a gap." I know that you've answered this before to one of my colleagues here at the committee, but you don't see any benefit to the PRPP?

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Wynne Hartviksen: Ultimately, the PRPP attempts to build a pool, right? Obviously, the CPP—or, if we can't get the CPP expanded, a universal ORPP—is a much bigger pool than anybody could ever access in any kind of private plan, whether it was a pooled plan or not. I do think that under the current RRSP system—which, again, we're not particularly enamoured with either, and nor are many members of ours who have that as their only workplace pension—there are a number of investment vehicles already.

I understand the argument about administrative burden. If that is your number one argument, then the expanded CPP is the easiest way to ease an administrative burden.

Mrs. Laura Albanese: Yes. Unfortunately, we don't have a partner in that.

Ms. Wynne Hartviksen: If that is the case, then a universal mandatory ORPP is our next option.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much.

Ms. Wynne Hartviksen: Thank you.

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CARP

The Chair (Mr. Peter Tabuns): The next presentation is from CARP: Ms. Eng. As you may have seen, you get five minutes to present and then we rotate questions of up to three minutes per party. Please introduce yourself for Hansard and begin.

Ms. Susan Eng: Thank you. My name is Susan Eng. I'm vice-president for advocacy at CARP.

Thank you, Mr. Chairman, for the opportunity of presenting before the committee on pooled registered pension plans. We have put in a submission in the past when there were consultations, and our bottom line at that time was that PRPPs serve a role in the larger landscape of providing retirement savings vehicles for Canadians. You will have heard from other deputants that there is an absolute need now to provide that additional tool. The question is, which is the best one, which is the one that you want to spend a lot of public monies in setting up, and what is best for the average Canadian?

People who have good access to ready funds will do well enough with RRSPs, and indeed they are the ones who are taking up the 5% of available tax-free room in RRSPs. They will do well or not well according to their individual circumstances. But for the average worker who has a little bit left over from a paycheque, the only way they can participate in an efficient retirement scheme is within a pooled system. That was the original thinking of the PRPPs.

But in addition to pooling, there's a need for employer contributions, which leverages the amount you're able to save for your retirement. It's the only way you can do this cost-effectively. It was said by the former chief actuary of the CPP that the contributions we make to that plan and for the pension that we get afterwards is the best deal in town in terms of investment efficiency. So it goes with things like PRPPs or the ORPP.

In the case of the PRPP, what would make it better would be the following aspects: if it had a defined benefit component—and with an individual plan like this, that's difficult. You'd have to put in annuitization. It should be mandatory in order to get the critical mass that's going to be necessary to create a large enough fund to have any of the economies of scale and bring down the costs as much as possible. Indeed, the potential private sector administrators of these plans are hoping that you will make it mandatory enrolment in the first instance, and of course mandatory employer contributions is something that will make it more meaningful.

When we polled our members as to why it is they like CPP over the other options on offer, a large part of them—of course, it was something they knew and they could rely upon. But also important to them, of all the different aspects of the CPP—the defined benefit option, the fact that it was mandatory and so on—the most important aspect was the mandatory employer contribution, for obvious reasons. It helps lever the contributions you make.

The kind of savings that we're talking about through a large universal scheme is really a result of the tyranny of arithmetic. You can only save at this level, and that efficiently, if we all do it together at a cost-effective level. Individually, it would cost more to save the same necessary amount for you on retirement than it does in a pooled fund. That's just the way it is.

So if we're going to craft a new option in the pension landscape, what should we do? Do we do something that's marginally better than what there is now? We have

the advantage that it will be marketed within an inch of its life because of the providers who are interested in the business. But besides that, it won't have an awful lot to offer itself.

The collective plan that's being proposed by the Ontario government in the ORPP is an improvement in the sense that it does have mandatory contributions—

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Susan Eng: —and its universality. Of course, I would agree that at the modest increase, the CPP is the best option of all, but that's not on the table.

I think there's an opportunity here, if you feel the need to go ahead with the PRPP, in light of the advances with the ORPP and the opportunity, possibly, with the CPP: again, that it can be improved to make it much more effective as a retirement savings vehicle.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much. First questions go to Ms. Armstrong.

Ms. Teresa J. Armstrong: Thank you very much for presenting. So you're with CARP. I'm assuming you've surveyed your members?

Ms. Susan Eng: Yes, we have.

Ms. Teresa J. Armstrong: And you talked about that they felt the defined benefit was the better approach—

Ms. Susan Eng: Yes.

Ms. Teresa J. Armstrong: —and better outcomes, I think, in retirement in the end. Do you believe the passage of this bill, the PRPP, would be a disadvantage for the ORPP? We've heard some people talk about the confusing system—

Ms. Susan Eng: It is. I think that it adds confusion and complexity to the landscape. The net possible result of this is that when the ORPP becomes law, then nobody will buy a PRPP. The industry will not be able to sell enough of it, as people think they only have so much room or extra money to set aside for retirement. That's what will happen. So it's an awful lot of effort for negligible results.

Ms. Teresa J. Armstrong: Okay. So if I could take the liberty of saying that you don't see that the PRPP is actually going to fill any existing gaps in the retirement plans, that if ORPP passes, what, then, is the purpose of the PRPP?

Ms. Susan Eng: I'll tell you that, from where I stand—which is from the standpoint that, until a couple of years ago, every government said that there's no need to help Canadians save for retirement at all; we need to do nothing—the fact that something is on the table is an advance on the status quo. I'm going to give it that much. The fact that we've talked about it endlessly for the last three or four years means that more people are paying attention to the need to save. So already we have added value to the status quo. That's another thing. But having this legislation doesn't really add much.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Teresa J. Armstrong: Okay. Thank you for your contributions.

The Chair (Mr. Peter Tabuns): Okay. Thank you. Ms. Albanese?

Mrs. Laura Albanese: Thank you for appearing before our committee and for sharing a bit of the views of the members of CARP.

I was trying to read through the letter that you have provided to us. One of your recommendations is to make “mandatory minimum employer contributions to leverage participation.”

Ms. Susan Eng: Correct.

Mrs. Laura Albanese: Do you have an idea of what that minimum could be?

Ms. Susan Eng: Well, given the space that we have to go, at this point, experts are telling us that we need to enter into a pension arrangement that allows us to draw down post-retirement income of nearly 60% to 70% of our pre-retirement income. So the arithmetic requires us to make nearly 18% of current salaries into a collective, or pooled, pension vehicle, and that indeed is what people who have good retirement incomes do. We might begrudge them the apparently gold-plated pensions they have, but that's what they have paid during their working lifetimes. So, between where we are today and where those people are contributing—some 9% through the CPP, up to a certain maximum—we have a ways to go before we match that.

At the present time, there has been conversation around a modest increase, ill-defined, but approximately 10% to 15% more coverage. And the cost of that, at least under the ORPP, is approximately 3% more, combined between employer and employee. That's approximately the immediate step.

The Chair (Mr. Peter Tabuns): One minute left.

Mrs. Laura Albanese: I see in “Correcting the Course on the PRPPs,” you do comment that “there is no guarantee against high costs and fees.” So you would encourage us to—

Ms. Susan Eng: To regulate.

Mrs. Laura Albanese: —to look at that.

Ms. Susan Eng: I would encourage you to regulate. The providers indicate that if they get a large enough fund, they too can provide their advice at a reasonable fee, and if you work with industry to identify what that fee cap can be, you can regulate. That would give some comfort to a lot of people. Given the experiment in Australia, where they did not regulate fees, people's earnings were wiped out by fees.

Mrs. Laura Albanese: Okay. Thank you very much for your comments and for presenting to us today.

Ms. Susan Eng: Thank you.

The Chair (Mr. Peter Tabuns): Thanks, Ms. Albanese. Ms. Munro?

Mrs. Julia Munro: Thank you for bringing your perspective here today. From this, I take it that this is kind of a qualified endorsement that you've done. I guess

one of the things that's really important about this plan—pooled registered pensions—is, as you mention in your brief, that it's cross-Canada. This is certainly something that, when you're looking at the Ontario plan, is limiting, not only because of the fact that it is Ontario, but one of the concerns that has been raised is that it puts Ontario in a non-competitive basis when there's the burden of the contribution rates and things like that. So I think that people recognize that in putting forward both of these legislative initiatives, they serve a different group.

We heard earlier the importance of providing something for somebody with fewer employees and that these are the people that have been most at risk. I think that by providing two elements to that, it can be provided very economically, and certainly I would think that any initiative, if not regulated, would certainly be by commercial agreement in terms of providing the service. There's going to be that kind of cost containment for people. And the idea that it's 30 minutes on the phone or online would be the kind of expectation for an employer.

So I think that the suggestions that you've made are certainly ones that the government should look at—

The Chair (Mr. Peter Tabuns): You have one minute left.

Mrs. Julia Munro: My final comment to you would be if you simply would comment on your membership. Has there been any specific discussion on the PRPP?

Ms. Susan Eng: We do on several levels. One is that they pay close attention to these discussions, and we survey them on a frequent basis. We also have chapters across the country—60 chapters across the country, two thirds of them here in Ontario, and at chapter meetings these issues have come up in great detail. So our members are very well versed in the different types of options and which are more preferable to the others.

I can tell you that by bringing together that information, there is strong support, first of all, for some kind of collective pooling of dollars to provide for their own retirement. They see that as critical. They are most supportive of a CPP, or anything that looks like the CPP, and they recognize the differences. They are—

The Chair (Mr. Peter Tabuns): I'm sorry to say, Ms. Eng, you're out of time.

Ms. Susan Eng: Okay. Fine.

The Chair (Mr. Peter Tabuns): Thank you for your presentation today.

Ms. Susan Eng: Thank you.

The Chair (Mr. Peter Tabuns): Members of the committee, a reminder: Pursuant to an order of the House, the deadline to file amendments to the bill with the committee Clerk is 5 p.m. tomorrow. That's Wednesday, April 29, 2015.

This committee stands adjourned until 2 p.m. on Monday, May 4, 2015.

The committee adjourned at 1703.

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Legislative Assembly of Ontario

First Session, 41st Parliament

Official Report of Debates (Hansard)

Monday 4 May 2015

Standing Committee on Social Policy

Pooled Registered Pension
Plans Act, 2015

Assemblée législative de l'Ontario

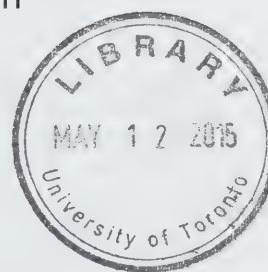
Première session, 41^e législature

Journal des débats (Hansard)

Lundi 4 mai 2015

Comité permanent de la politique sociale

Loi de 2015 sur les régimes
de pension agréés collectifs



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 4 May 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 4 mai 2015

*The committee met at 1400 in room 151.*POOLED REGISTERED PENSION
PLANS ACT, 2015LOI DE 2015 SUR LES RÉGIMES
DE PENSION AGRÉÉS COLLECTIFS

Consideration of the following bill:

Bill 57, An Act to create a framework for pooled registered pension plans and to make consequential amendments to other Acts / Projet de loi 57, Loi créant un cadre pour les régimes de pension agréés collectifs et apportant des modifications corrélatives à d'autres lois.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. We're here for clause-by-clause consideration of Bill 57, An Act to create a framework for pooled registered pension plans and to make consequential amendments to other Acts.

Please note that tomorrow, May 5, 2015, at 4 p.m. those amendments which have not yet been moved shall be deemed to have been moved and the Chair of the committee shall interrupt proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendments thereto.

Any division or recorded vote required shall be deferred until all remaining questions have been put and taken in succession, with one 20-minute waiting period allowed, pursuant to standing order 129(a).

I propose—and I have had a chance to talk with you informally—that consecutive sections with no amendments be grouped together unless any members would like to vote on a section separately.

Any comments or questions before we proceed? Excellent. Okay.

Shall sections 1 to 25 carry? Carried. That was very fast.

Section 26: We have an amendment by the government. Ms. Albanese, please.

Mrs. Laura Albanese: I will read it into the record.

I move that section 26 of the bill be amended by

striking out the portion before clause (a) and clause (a) and substituting the following:

"Regulations, minister

"26. The minister may make regulations governing fees under this act, including,

"(a) requiring the payment of fees in relation to any matter under this act, including any services provided by or through the Ministry of Finance or the commission;"

The Chair (Mr. Peter Tabuns): Thank you. Do you want to speak to that?

Mrs. Laura Albanese: It is a technical amendment, so that it could mirror the language that is being used in the budget and in other acts.

The Chair (Mr. Peter Tabuns): Okay. Any other comments?

Mrs. Gila Martow: I'm just going to say thank you to the government—not for this specific amendment but for taking the advice of Jim Flaherty and our Prime Minister Stephen Harper and enacting it into law. Our side of the room appreciates that. Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Martow. Seeing no other hands up, we'll go to the vote.

All those in favour? Opposed? It's carried.

Shall section 26, as amended, carry? Carried.

I am going to ask, then, if you are prepared to carry sections 27 to 34. All those in favour? Carried.

The Chair (Mr. Peter Tabuns): We go to schedule 1. There are no amendments. Shall section 1 of the schedule carry? Carried.

Shall schedule 1 carry? Carried.

Shall the title of the bill carry? Carried.

Shall Bill 57, as amended, carry? Carried.

Shall I report the bill, as amended, to the House? Carried.

Well, an extraordinarily efficient committee. We're done. The committee stands adjourned until May 5, 2015.

Interjection.

The Chair (Mr. Peter Tabuns): Oh, no. Tomorrow's cancelled. So it's next Monday?

The committee stands adjourned until one week from today.

The committee adjourned at 1405.

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STANDING COMMITTEE ON SOCIAL POLICY

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Legislative Assembly of Ontario

First Session, 41st Parliament

Official Report of Debates (Hansard)

Monday 11 May 2015

Standing Committee on Social Policy

Ontario Society
for the Prevention
of Cruelty to Animals
Amendment Act, 2015

Assemblée législative de l'Ontario

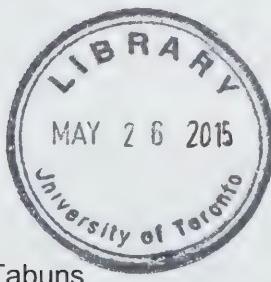
Première session, 41^e législature

Journal des débats (Hansard)

Lundi 11 mai 2015

Comité permanent de la politique sociale

Loi de 2015 modifiant
la Loi sur la Société
de protection des animaux
de l'Ontario



Chair: Peter Tabuns
Clerk: Valerie Quioc Lim

Président : Peter Tabuns
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 11 May 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 11 mai 2015

The committee met at 1401 in room 151.

ONTARIO SOCIETY
FOR THE PREVENTION
OF CRUELTY TO ANIMALS
AMENDMENT ACT, 2015

LOI DE 2015 MODIFIANT
LA LOI SUR LA SOCIÉTÉ
DE PROTECTION DES ANIMAUX
DE L'ONTARIO

Consideration of the following bill:

Bill 80, An Act to amend the Ontario Society for the Prevention of Cruelty to Animals Act and the Animals for Research Act with respect to the possession and breeding of orcas and administrative requirements for animal care / Projet de loi 80, Loi modifiant la Loi sur la Société de protection des animaux de l'Ontario et la Loi sur les animaux destinés à la recherche en ce qui concerne la possession et l'élevage d'épaulards ainsi que les exigences administratives relatives aux soins dispensés aux animaux.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. For some members who were drifting, that brings them back to the committee.

We are here for public hearings of Bill 80, An Act to amend the Ontario Society for the Prevention of Cruelty to Animals Act and the Animals for Research Act with respect to the possession and breeding of orcas and administrative requirements for animal care. Please note that additional written submissions have been received, and copies of all submissions to date are distributed to the committee today.

For those who are presenting today, each presenter will have up to five minutes for their presentation and up to nine minutes for questions from committee members, and that will be divided equally among the three parties. When we start the rotation of questions, we'll start with the official opposition.

CANADA'S ACCREDITED ZOOS
AND AQUARIUMS

The Chair (Mr. Peter Tabuns): Our first presenters today are from Canada's Accredited Zoos and Aquariums. Mr. Bruce Dougan and Martin Haulena, could you

please come forward. If you'll have a seat and introduce yourselves for Hansard, and then we'll start in on your five minutes.

Mr. Bruce Dougan: Good afternoon. My name is Bruce Dougan. I'm the director of the Magnetic Hill Zoo in Moncton, New Brunswick, and a past president of Canadian Accredited Zoos and Aquariums.

Dr. Martin Haulena: My name is Dr. Martin Haulena. I'm a board-certified specialist in zoo and aquatic animal medicine. I am chief or head veterinarian at the Vancouver Aquarium, adjunct professor of clinical sciences at North Carolina State University, and adjunct professor at the University of British Columbia's fisheries science centre.

Mr. Bruce Dougan: I'd like to begin by thanking the members of the committee for the opportunity to appear before you here today. Working with governments towards the highest standards of care in animal welfare is a priority of our organization, and the opportunity to speak to you in your review of Bill 80 is therefore very much welcome.

If adopted, Bill 80 will do two things:

(1) It will translate into law a new government policy; namely, that it should be illegal to own or breed orcas in Ontario.

(2) It will create the legal foundation for a regulatory framework for the care of marine mammals in the province.

In the current Ontario context, the proposed orca ban has generated both headlines and animal welfare concerns. However, because of the limited amount of time available to us today, our remarks will focus on what has been a less debated aspect of the bill; namely, the development of standards and regulations referenced in the legislation.

As you may know, CAZA has long advocated that the government of Ontario address this policy. Legislative and regulatory gaps exist with respect to animals in human care. That is why when Minister Naqvi indicated last January that the government would be introducing enhanced standards of care for marine mammals, we applauded his announcement. At the time, we expected to see unfold a process grounded in science and verifiable best practices that would begin to fix Ontario's broken system. However, while we were grateful for the opportunity to participate in the development of these standards as a member of the technical advisory group, we

had concerns from the outset with the timelines and the scope of the exercise.

Absent evidence of a current or imminent marine mammal welfare crisis in this province, we found the time frame as inexplicable as it was unfortunate. These timelines imposed arbitrary methodological shortcuts where a full examination of the issues and science around the care of marine mammals would be in order, and they precluded a made-in-Ontario solution that would be based on the validation of international best practices.

In order to meet its self-imposed deadline, the government has had to rely heavily on an outdated set of standards developed in the UK in the 1980s. To the best of our knowledge, it has not been implemented anywhere in the world.

Moreover, we believe that the regulatory and enforcement approach chosen is fundamentally flawed, as it is based on the assumption that animal welfare can be codified into a comprehensive regulatory checklist.

We believe that the determinants of animal health and well-being are so complex and dynamic as to preclude such a rigid approach. That is why CAZA favours a qualitative, expert, system-based inspection and enforcement model supplemented, where applicable, by prescriptive standards and policies. It is also why we have hoped to see the government opt for a rigorous review of options to enhance the level of care and well-being of marine mammals rather than a mad dash to an imaginary finish line.

In summary, we applaud the government's intentions but believe that the approach chosen is flawed. We urge this committee to recommend a pause and, for the sake of the animals, that this important exercise be placed on solid scientific footing.

The Chair (Mr. Peter Tabuns): Thank you. First questions go to the PC caucus: Mr. Nicholls.

Mr. Rick Nicholls: Mr. Dougan, thank you very much for taking the time to be here today. I've got a few questions for you.

The first one: Since you chaired the task force in New Brunswick, which actually looked at the policy framework around exotic animals, in your opinion, is the time frame spent around the development of this piece of legislation, especially standards of care, sufficient?

Mr. Bruce Dougan: I don't believe it to be sufficient, no. In New Brunswick, we had legislation, regulation, and policies and procedures in place with regard to the keeping of exotic animals in human care. We have met for the last nine months to try and identify gaps and weaknesses in that legislation and in those policies. We are very close to the end now, but it was a long process. We had a very good crew. We met with a lot of government agencies, a lot of NGOs. We looked at a lot of international policies with regard to this. We met weekly for a full day for nine months—on average, I would say. So it is a long process, and something as complex as this is going to require much more time.

Mr. Rick Nicholls: More time as well. Thank you. What would you say some of the major differences

would be in using the UK model, which, of course, was developed in 1986, as opposed to those standards adopted by the CCAC?

Mr. Bruce Dougan: I'll defer to Marty here on a lot of this, but I know that the UK model is 30 years old. It's not based on current science or best practices. There are no cetaceans in the UK at the present time, and the standards that were developed in the UK 30 years ago are not used anywhere in the world as standards that are adopted by anybody else.

Maybe Marty can talk a little more specifically to the differences between the CCAC model and the UK model.

Dr. Martin Haulena: I have several concerns. First of all—

The Chair (Mr. Peter Tabuns): You have one minute left.

Dr. Martin Haulena: Okay. So several concerns: One is a very non-specific set of guidelines, not taking into account species differences—a harbour porpoise is not a blue whale; just adjusting numbers for no apparent reason; a system that's never been implemented anywhere; a system that's 30 years old—again, never implemented anywhere—based on bottlenose dolphins, and not applicable by any stretch to belugas; creating an almost vertical cylinder, which is a very poor environment; not taking into account, again, species differences, individual differences, medical needs, and enrichment needs.

The CCAC guidelines are much more tailored toward an overarching umbrella type of criteria for the welfare of the animal, developed more recently, of course, and in conjunction with industry—

The Chair (Mr. Peter Tabuns): I'm afraid to say that your time is up. We'll go the next questioner. Ms. French.

Ms. Jennifer K. French: Thank you, and welcome to Queen's Park. I appreciated your submission and I also have some questions for you.

In your comments, you said: "Absent evidence of a current or imminent marine mammal welfare crisis in this province...." Can you expand on that?

Mr. Bruce Dougan: Well, there doesn't seem to be anything that's of imminent danger to the orca that is in Ontario at this particular time. We wonder why this is not being given sufficient time to study the proper method of doing this, using modern science and international best practices, rather than adopting just this one set of standards from the UK, which is very old.

This animal is in good health. It's in good care. It's in a CAZA-accredited facility. We don't see any imminent danger there.

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Ms. Jennifer K. French: Thank you. Actually, to that point, the UK model has never been implemented before. Do you have any insight as to why this is the model that the government has chosen?

Dr. Martin Haulena: No idea. Certainly it was not recommended in the report that was given to the committee. So it's difficult to say why Canadian experts

weren't involved and Canadian criteria were not involved.

Ms. Jennifer K. French: Thank you. Could you further expand on—you've used the term “such a rigid approach.” In what ways is this too rigid? Do you have comments there?

Dr. Martin Haulena: You know, I think the problem here is that everyone is looking for a number that someone with a ruler can measure a tank and go, “This is good; this is bad.” This is not an easy solution. I've been doing this for about 22 years. I've been involved with saving a lot of cetaceans and other marine mammals around the world, including Canada, and this is not the approach. I mean, it's not easy. You can't just put a ruler and a depth gauge and go, “This is great.”

The Chair (Mr. Peter Tabuns): You have a minute left.

Dr. Martin Haulena: For belugas especially—again, substrate topography; this is a species that likes shallow water, that needs to rub. To create this kind of vertical cylinder kind of approach without taking into account the specific needs of the animal—and also to not account for stranded animals and finding homes for stranded animals. Right now, we have false killer whale. One day a killer whale is going to strand and need a home. We need to sort of be flexible and account for these differences. We don't know what kinds of species are going to come down the pipe. You can't just have a one-size-fits-all solution. It's not going to work for any problem.

Ms. Jennifer K. French: Thank you. Do I still have time?

The Chair (Mr. Peter Tabuns): You have 20 seconds.

Ms. Jennifer K. French: Great. Would you like to comment on your involvement as part of the technical advisory group? Was that a positive experience? Did you feel it was a great back and forth?

Dr. Martin Haulena: I don't believe I was involved that deeply.

Mr. Bruce Dougan: I was not either. My understanding was, though, that they came here for a meeting and an hour after they arrived, from all over the country and all over the United States, they were told the meeting was cancelled.

The Chair (Mr. Peter Tabuns): I'm sorry to say, your time is up.

Mr. Bruce Dougan: Sorry.

The Chair (Mr. Peter Tabuns): I'm going to go to the government: Mr. Balkissoon. It goes quickly.

Mr. Bruce Dougan: Yes, it does.

Mr. Bas Balkissoon: Thank you both for being here. You mentioned a lot about the standards of care, but the main thrust of the bill that's in front of us is the ban that's going to be put in place so we prevent orcas from coming into the province in the future. There are the standards of care that are needed for the other mammals. You mentioned that the UK model is flawed, but you haven't mentioned that there is an existing model that works. Can you shed some light?

Mr. Bruce Dougan: Well, yes, there is a model that was just finalized in September 2014, in collaboration with Canada's Accredited Zoos and Aquariums and the CCAC, the Canadian Council on Animal Care. It was adopted by CAZA in February of this year.

So there is a model there that is much more detailed, has a lot more specifics in it, and speaks a lot more to the needs of marine mammals than does the one that is 30-years old from the UK. That's the model I think we should look seriously at. That model has been in the works for about eight years. It's involved a lot of the very best marine mammal experts in Canada and the United States in forming the specifics for that.

Mr. Bas Balkissoon: Can you highlight some of the major differences between the two?

Mr. Bruce Dougan: I'll leave that to you, Marty.

Dr. Martin Haulena: Sure. First of all, I think I mentioned that kind of one-size-fits-all approach. So developing a standard for a bottlenose dolphin that now has to be, just with the mathematical model, expanded to a beluga whale or to a porpoise or to any other species is just impractical, unreasonable, unscientific and, from all we know, impossible.

To say that we don't have a model that works is a complete falsehood. We know that animals thrive in our care and they do very, very well—animals of a large number of species. I think the very worrisome part—

The Chair (Mr. Peter Tabuns): One minute left.

Dr. Martin Haulena: —is the second part of this bill, which all of a sudden addresses all animals everywhere in Ontario.

Mr. Bas Balkissoon: Okay. The minister is going to bring in several pieces of regulation. Do you have any suggestions that that's where we could enhance the process?

Mr. Bruce Dougan: We'd be happy to work with you on that. It's just that it doesn't seem that we've been afforded the opportunity to be at the table. I know we were asked to be with the TAG group, but that didn't ever eventuate. So when I talk about the work that has been done in New Brunswick on an issue that was a lot further along than this issue is, it has taken us nine months and a lot of meetings and a lot of work to just identify gaps and weaknesses in a system that's already there. To develop a program for the care of marine mammals in captivity here in the province of Ontario, I think there's a lot of work to be done, and I'm sure that CAZA would—

The Chair (Mr. Peter Tabuns): I'm afraid you've run out of time. Thank you very much for your presentation.

Mr. Bruce Dougan: Thank you.

MARINELAND OF CANADA INC.

The Chair (Mr. Peter Tabuns): Our next presentation: Marineland of Canada Inc. Gentlemen, as you've heard, you have five minutes to present, and then there will be nine minutes of questions. One minute before the

end of your speaking time I'll just remind you that you have a minute left. So if you'd introduce yourselves for Hansard.

Mr. John Holer: John Holer, Marineland.

Mr. Andrew Burns: I'm Andrew Burns, counsel for Marineland.

Marineland's two beluga and killer whale pools are larger than the largest pools in Africa, the National Aquarium in the US and the largest pools in Europe, the Middle East and Asia, and comparable to the largest single pool in the world. It is because of Marineland's commitment to animal welfare that Marineland must express its very strong reservations regarding the proposed legislation and the proposed imposition of unscientific and financially unachievable standards in relation, in particular, to pool sizes.

First, in relation to the proposed prohibition on killer whales, which Marineland opposes, Kiska is too old to move and it is entirely reasonable, achievable and appropriate to provide for her, on loan from another facility, an age-appropriate companion. This bill, in its present form, precludes that.

This bill also denies any injured orca the opportunity to be rehabilitated at Marineland and returned to the wild. Marineland suggests that a ministerial exemption from the prohibition, with appropriate conditions, should be considered by amendment to this bill.

There is another serious issue with this legislation. On January 27, the government publicly committed to following the advice of Dr. Rosen as set out in his report, stating, that standards of care are based on recommendations made in a report commissioned by the Ontario government and prepared by Dr. Rosen. Dr. Rosen's report recommended expressly adoption of the CCAC standards on marine mammal care.

Despite the foregoing, the proposal before this government is to use the power under the legislation to put in place standards of care modelled on those in the United Kingdom, and those standards will include the size of pools used to house marine mammals. The only use of the UK model in the proposed standards is in relation to facility pool size. All other government standards that are proposed are based on or derivative of the CCAC standards, which Marineland supports.

Dr. Rosen clarified his recommendations by letter dated May 7 to this committee, in which he clearly states, at page 3, that a specific recommendation on pool size was outside the scope of his report and insufficient research has been undertaken to make such decisions on a scientific basis.

It is clear that in 343 facilities in 63 countries, not one country or facility presently uses the UK model. It is not even used in the UK as all remaining facilities have been closed because of the financial impossibility of implementation. The UK model is based on a 1986 report, which is now 30 years out of date. The report did not consider beluga whales. The UK report expressly states, "There is no research evidence whatsoever on the question of pool size or other pool requirements."

The current proposal to utilize a UK model requires an average pool depth and volume, a cylinder or box-like pool which is so deep that no tank anywhere in the world achieves that depth or volume. The UK model report did not recommend an average depth or volume. In fact it said, and I quote again, "A reasonable proportion of each pool should therefore be at least twice adult body length deep."

The Chair (Mr. Peter Tabuns): You have one minute left.

Mr. Andrew Burns: All modern facilities constructed since 1986, including Marineland, have variable depth pools with multiple shapes, making accomplishment of an average pool depth impossible technically. The UK model mandates a pool design that is rejected by the entire world.

1420

The estimated cost of compliance with the proposed standard is at least \$1.5 billion. It has been suggested that a drastic reduction in the number of marine mammals at Marineland will result in an achievable space requirement. That is not correct.

In conclusion, this government will, if the pool size standards that are proposed are adopted, force the closure of Marineland and throw thousands of people out of work at Marineland and in the Niagara region. We ask this committee to take such steps as it considers necessary to direct that any standards imposed under this legislation conform to the recommendations of Dr. Rosen, and that any standard related to pool size be made only after an appropriate—

The Chair (Mr. Peter Tabuns): I'm sorry, sir, but your time has come to an end.

Mr. Andrew Burns: —scientific consultation process. Thank you.

The Chair (Mr. Peter Tabuns): The first question is to Ms. French.

Ms. Jennifer K. French: Thank you. I appreciate you coming to Queen's Park today. Did you finish all that you wanted to share?

Mr. Andrew Burns: Yes, thank you.

Ms. Jennifer K. French: Okay, I was going to give you the chance there.

You had made a comment about—and I missed it because I don't have that page in front of me—mandates of pool design rejected by the entire world. Can you give us a bit more about that?

Mr. Andrew Burns: Yes. There are 63 countries—with 343 facilities around the world. Presently, the most modern facility in the world is Ocean Kingdom in China, which opened at a cost of US\$800 million. That facility, which represents the most modern, advanced pool design, does not meet the UK model standard. It does meet the standards that have been developed over the last 30 years with variable pool depths, appropriate training areas, swim-out areas for medical purposes, and it does not conform with the UK model.

Ms. Jennifer K. French: And did I understand correctly that with the depth and volume—some of the spe-

cific requirements, I guess, or standards for the pools—that with that exception, everything else has to do with the CCAC recommendations? So there's this one exception? Was I—

Mr. Andrew Burns: That's correct. The government sought the recommendation of a scientist, which Marineland fully supports. The report has been released and Dr. Rosen expressly recommended in his report adoption of the CCAC guidelines. It is recommendation number 3. Marineland, and I believe the scientific community, fully supports that recommendation. We just do not support adoption of the UK model—

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Andrew Burns: —on facility pool size that did not form part of his recommendations, and which he has clarified in his letter to the committee he did not recommend.

Ms. Jennifer K. French: And do you have any insight as to why that one recommendation would differ from the bulk of the others?

Mr. Andrew Burns: No, though noting that Marineland is quite willing to engage in a consultative process, a scientific process, which would examine that very issue. But to impose it now, as part of a standard, is not appropriate, and would have the result of forcing the closure of Marineland.

Ms. Jennifer K. French: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. French. Mr. Balkissoon?

Mr. Bas Balkissoon: Thank you very much for being here and sharing your thoughts with us. You opened by saying that the piece of legislation precludes any opportunity for rehabilitation of a mammal. If it was determined that the orca that you have currently is healthy enough to be moved, would Marineland consider moving it to another facility or a sanctuary with another orca so that you would provide it—

Mr. Andrew Burns: It's not possible to move the orca, and I think the bill reflects that fact. That's the reason it's grandfathered under the bill. I think it is very—

Mr. Bas Balkissoon: Can you tell us why it's not possible?

Mr. Andrew Burns: She's very elderly, so it's the equivalent of taking someone who is 80 years old or 90 years old in an old folks' home and moving them into an apartment in the Village in New York. It's going to be terrible for her and she wouldn't survive the trip, which is a hugely stressful event for an animal. To be moved, she'd have to be moved by airplane, and it would kill her.

Mr. Bas Balkissoon: Okay. Thank you very much, Mr. Chair.

The Chair (Mr. Peter Tabuns): Okay, thank you. To the Conservatives: Mr. Nicholls.

Mr. Rick Nicholls: Gentlemen, thank you for coming today. I appreciate it.

I've spoken extensively on this in the Legislature. One of the concerns I have as well are jobs and the economy. Of course, I certainly don't want to see Marineland being forced to shut down. I think there's some ground here

where we can certainly work together, perhaps with the government, to ensure that that doesn't happen.

I do have a few questions for you. First of all, can you elaborate a little bit more, Andrew, on Marineland's pools in terms of that which is currently used for Kiska regarding its size? How big is that pool? Is it large enough? Does it exceed standards, those types of things? Maybe you can give me a comparison of the pool size at other aquariums, such as the one maybe that SeaWorld uses?

Mr. Andrew Burns: The pool which houses Kiska is actually the largest pool housing a killer whale in the world. SeaWorld is proposing a development to expand the size of its pools. Even if that development is completed, Kiska will have five and a half times more space than the whales at SeaWorld. We have provided you with our materials a comparison chart which shows you the volume comparison of the pools at the largest and most modern facilities in the world. Marineland's Arctic Cove and Friendship Cove are larger collectively than the largest pool in the world at the Georgia Aquarium and larger than the largest pool in Asia at Ocean Kingdom, which just opened at a cost of over US\$800 million. These facilities are actually enormous.

Mr. Rick Nicholls: Okay. Thank you. We've heard a lot about the UK model, so I don't want to spend time on that right now.

The Chair (Mr. Peter Tabuns): You have one minute left.

Mr. Rick Nicholls: But Marineland was investigated by both CAZA and the OSPCA for alleged animal abuse. Was Marineland ever charged and what were the findings of that investigation?

Mr. Andrew Burns: Marineland was never charged. It is the most thoroughly investigated facility in the world. All its marine mammals have been investigated—its vet records—and staff have been interviewed. All its technical records have been reviewed. The inspections included a complete independent review by expert veterinarians on behalf of the OSPCA, an independent review by two expert veterinarians, one the head veterinarian at the Vancouver Aquarium and the other the head of the Calgary Zoo; an independent investigation by the College of Veterinarians; a review by the experts appointed by the Ontario government to provide advice with respect to this legislation; examinations by up to 14 outside expert veterinarians, by Marineland vets and by independent academic scientists—

The Chair (Mr. Peter Tabuns): I'm sorry to say, but your time is up. I thank you for your presentation. We'll call the next presenter.

Mr. Rick Nicholls: No charges?

Mr. Andrew Burns: No charges.

NIAGARA FALLS TOURISM

NIAGARA FALLS CITY COUNCIL

The Chair (Mr. Peter Tabuns): The next presenter is Niagara Falls Tourism, Mr. Wayne Thomson. Mr.

Thomson, if you'll introduce yourself for Hansard. As you've seen, you have five minutes to speak and I let people know when they've got a minute left.

Mr. Wayne Thomson: Thank you. My name is Wayne Thomson, from the city of Niagara Falls. First of all, thank you for the opportunity to be here. This is extremely important to our municipality.

I'd like to, first of all, draw your attention to correspondence from the mayor and members of city council. Everyone on council has signed that letter indicating their support and how important Marineland is to the city of Niagara Falls as a whole.

Also, I'd like to draw your attention to a letter from Niagara Falls Tourism, signed by me, also supporting Marineland in making sure their voice is heard at this particular hearing and the concerns about the economic effect anything happening to Marineland would have on our municipality.

I should introduce myself and say what Wayne Thomson is doing here today. Well, I was mayor of the city of Niagara Falls for 17 years. I'm in my 18th year on city council at the present time. I have been involved in watching Marineland grow and develop under the operation of John Holer, whom I have a tremendous amount of respect and admiration for and what he's done for our municipality. I'm also chair of Niagara Falls Tourism and co-chair of the regional tourist organization that exists in the region.

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I'd just like to give you an idea of what has transpired in the past many years with respect to tourism in the city of Niagara Falls. Of course, people come there to see the Falls, but certainly Marineland, as a major attraction in our city, has had a tremendous impact on bringing people and creating jobs in the city of Niagara Falls.

I can recall many, many years ago talking about the magic 100 days where tourism began at the May 24 weekend and, after Labour Day, everybody would shut up: The hotels and motels would close up, jobs would be lost and everybody would be home. It was extremely difficult for many people in our community.

In 1969, as a new council member, I chose to be involved in tourism, and I'm here today because for the last 35 or 40 years, I have been on the tourism board and working to make things happen. We had a very vibrant industrial base in our community for over 100 years, but because of hydro costs, because of industry moving out, what we have left is tourism. It's our lifeblood.

A report to the council a couple of weeks ago indicated that 2.7% of our assessment is the industrial base, so that tells you a little bit about it.

We're talking about 700 jobs at Marineland. Anybody would put up their hand in a second in the municipality to make sure they protected that, but those 700 jobs precipitate, if you can imagine, 36,000 jobs not only in Niagara Falls but in the entire region. Hotels send buses up to Port Colborne and Welland and other municipalities to bring people down to work in jobs in the city of Niagara Falls. Nobody who is going to school, nobody who wants

a summer job ever had to worry about it in the Niagara region because the jobs were there because of Marineland, because of the attractions, because of the hotels. It's just unbelievable what has been accomplished.

The Chair (Mr. Peter Tabuns): Mr. Thomson, I'm sorry to say that your time is up. The first question will go to the government side: Mr. Balkissoon.

Mr. Bas Balkissoon: Thank you very much for being here and sharing your thoughts with us.

When we're talking about an attraction that displays, houses and cares for animals, particularly these very complex mammals, would you agree with me that public confidence in the well-being of those animals should be a critical issue for the government and, therefore, be part of some kind of firm legislation?

Mr. Wayne Thomson: Well, first of all, I've been actively involved in hearing the concerns about Marineland for at least the last 20 years. It's been there for 52 years; that's when it started. I can tell you that Marineland, from my personal knowledge, wants nothing but the best standards put into place. I think the only concern they have—and you've seen and I've seen the chart that shows the size of the tanks. Marineland is, without exception, one of the leaders in the world with respect to the size of tanks. They are in favour of proper legislation to make sure that the care of these animals is nothing but first-class.

Mr. Bas Balkissoon: I don't disagree with you, but my point was, do you see the necessity for government to put the regulations on standards of care for these mammals in some form of legislation so that it builds public confidence and gives the public the assurance that the government is administering whatever it needs to in enforcing that this facility meets the standards you were talking about?

Mr. Wayne Thomson: Absolutely. I don't think you can argue with that.

The Chair (Mr. Peter Tabuns): You have a minute left.

Mr. Wayne Thomson: We certainly wouldn't want anything to happen to the animals, and I find it preposterous that I listened to some of the people who are concerned about this suggesting that somebody who is in the animal business would be doing something that is negative toward the animals. I've watched this operation for many, many years, and it's first-class. The operation is without criticism, in my opinion.

Mr. Bas Balkissoon: Thank you very much, and thank you again for being here.

Mr. Wayne Thomson: Thank you.

The Chair (Mr. Peter Tabuns): We go to the opposition. Mr. Nicholls.

Mr. Rick Nicholls: Mr. Thomson, thank you for being here this afternoon. I've heard you say that tourism is the lifeblood in the Niagara region. I firmly support that. I've also heard you say that Marineland has been around for 52 years. It's been around for a long time. I've been an advocate of saying simply this: People who are doing the job, and are well trained to do the job, are the

ones who best know how to do the job. So when I look at that, I certainly—you know, we worry and care about the well-being of mammals, but now, because you mentioned earlier that tourism is the lifeblood, I look at it and I go, “Well, what about the well-being of the people and the jobs that could be lost?”

If Marineland shuts down, it's 700 jobs. What impact does that have on the economic growth of the Niagara region? Perhaps you could elaborate a little more on what the overall economic impact would be.

Mr. Wayne Thomson: Well, first of all, Marineland is unique because it is a theme park, it has expanded over the years, and people spend a full day there, which puts them into an overnight stay to see the other attractions. At one point, 58% of the people visiting Niagara Falls would have overnight stays because of Marineland specifically. So taking that away would be a disaster for us. One of the things that I didn't mention is the fact that Marineland spends \$4.5 million a year on marketing. Show me somebody who has a grandchild or a child that doesn't know, “Everyone loves Marineland.” That's \$4.5 million featuring the Falls and bringing people there and maintaining those 36,000 tourism jobs. Take that away, affect it negatively—

The Chair (Mr. Peter Tabuns): One minute left.

Mr. Wayne Thomson: —and that's what's going to happen.

Mr. Rick Nicholls: Thank you. So we talked about the jobs. What would you say would be the impact on the hotel and motel industry if it were to be—the unintended consequences of Marineland shutting down?

Mr. Wayne Thomson: Well, I think it would have a snowballing effect by affecting other attractions and hotels, restaurants, because once it starts and you lose those 700 jobs—the 700 jobs is just Marineland; the 36,000 in the restaurants, in the hotels and motels, that's what really is the spinoff of Marineland. It's the one that keeps them overnight and makes them stay longer. So this is really critical, crucial, and why I'm here today and why a municipality, a council, would sign a letter without anybody—

The Chair (Mr. Peter Tabuns): Mr. Thomson, I'm sorry to say that we have to move you on to the last questioner.

Ms. French.

Ms. Jennifer K. French: Thank you, Mr. Thomson, for coming to speak with us today. My colleague Wayne Gates is also a very enthusiastic supporter of the tourism industry in the Niagara region—

Mr. Wayne Thomson: I sat on the council with him.

Ms. Jennifer K. French: —so I've heard some of these things before.

Actually, I think I'm going to be repeating some of what my opposition colleagues have been asking you, but in terms of what could happen if Marineland, well, was no longer Marineland, the 36,000 jobs in the region, could you explain that a little more?

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Mr. Wayne Thomson: Well, first of all, in Niagara Falls, people come there to see the Falls. We've ex-

panded on that over the years. In fact, initially, people used to come to see the wonderful beauty of the Falls, pull over to the side of the road, jump out of the car, take a picture and then go off to Toronto, Buffalo or wherever else they were going. Now, we have year-round tourism. The government has invested millions of dollars in the city of Niagara Falls: in casinos, in attractions, in all kinds of different things which create jobs. But it's an investment, because every time they put \$1 million into the convention centre, it returns tenfold in the HST to the government.

This is a win-win for everybody. If Niagara Falls suffers, everybody in the province suffers.

The Chair (Mr. Peter Tabuns): One minute left, Ms. French.

Ms. Jennifer K. French: Thank you. Just so that I'm clear, are you here in support of the goals of this bill, or are there specific things that you're concerned about? I missed that part, which part you're—

Mr. Wayne Thomson: I'm here to show the municipality's concern and support for Marineland. We certainly can't suggest that we're not in favour of stringent rules to protect the mammals and the animals in Marineland, but we don't want it to be so restrictive as to put them out of business or cause them difficulty.

In 52 years, a man builds a business. What an unbelievable entrepreneur he has been. It's all one man. There are no investors here. After 52 years, we're going to suggest that we put them out of business? Where's the idea about grandfathering something—

The Chair (Mr. Peter Tabuns): Mr. Thomson, I'm very sorry to say that you're out of time and we have to go to our next presenter.

Mr. Wayne Thomson: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much.

WORLD ANIMAL PROTECTION

The Chair (Mr. Peter Tabuns): Next we have World Animal Protection. Ms. Kavanagh, you've seen how we work. You have five minutes; you'll get a one-minute warning. There will be questions from each party.

Ms. Lynn Kavanagh: Yes, it's Lynn Kavanagh, World Animal Protection. Thank you.

The Chair (Mr. Peter Tabuns): Please proceed.

Ms. Lynn Kavanagh: Good afternoon, everyone. Thank you, Chair and honourable members, for allowing me the opportunity to speak about an issue that is of utmost importance to World Animal Protection, Ontario citizens and Canadians.

World Animal Protection Canada is based in Toronto and is a registered Canadian charity with more than 70,000 supporters across the country and hundreds of thousands of supporters worldwide.

For more than 30 years and in more than 50 countries, World Animal Protection has been preventing animal cruelty and inspiring people to change animals' lives for the better. Today, we're working on projects with local

partners, governments and businesses to find practical ways to prevent animal suffering worldwide. We also collaborate with the UN and other international bodies to make sure animals are part of the global agenda, because animal protection is a fundamental part of a sustainable future.

We applaud the Minister of Community Safety and Correctional Services in putting forward Bill 80 to prohibit the keeping of orcas and for establishing standards of care for marine mammals in captivity in Ontario. Decades of research have shown us that orcas don't belong in captivity. As Minister Naqvi has said, for far-ranging, fast-moving and deep-diving predators, captive environments cannot even come close to meeting their needs.

Like orcas, other small cetaceans, such as belugas and dolphins, also have vast home ranges and, like orcas, are highly intelligent, extraordinarily social and behaviourally complex. These qualities and their corresponding needs mean these animals become stressed and suffer in captivity.

Thus, World Animal Protection joins Zoocheck and the Canadian Federation of Humane Societies in the opinion that Bill 80 does not go far enough in its protection of marine mammals. We ask that the importation of wild-caught individuals of other cetacean species also be prohibited. We also urge the committee to include Kiska, Ontario's sole surviving orca, in the proposed ban.

In captivity, the natural hunting and foraging behaviours of cetaceans are thwarted, and boredom is a serious concern. Whales and dolphins are sentient, intelligent creatures who want and need to live in complex social groups. In captivity, they will usually have been separated from their families and often live in unnatural social groupings. In the case of Kiska, she lives in isolation—an impoverished life for a highly social being.

Our report *The Case Against Marine Mammals in Captivity* contains ample evidence of why cetaceans should not be kept in captivity from a public health and safety and animal welfare perspective.

It is well known the public has a growing distaste for marine mammal displays, particularly after the 2012 Toronto Star investigative series on Marineland and the documentary *Blackfish*, which shows the painful and harmful impact of captivity on marine mammals.

The government has the potential to demonstrate itself to be a leader in animal welfare by acknowledging the similarity of belugas and dolphins to orcas, recognizing the logical inconsistency of protecting one species of cetaceans but not others and revising Bill 80 to prohibit the importation of all new wild-caught cetaceans into Ontario.

If Ontario were to ban the importation of all wild cetaceans for public display purposes, it would be a very strong decision that would positively impact the welfare of marine mammals in North America. You would be a leader in advancing the protection and welfare of whales and dolphins, and you would not be alone. In fact, some countries have gone even further. India, Costa Rica,

Hungary, Mexico, Croatia, Cyprus, Slovenia and Chile have all banned the keeping of cetaceans in captivity. It's a trend that's only going to continue as public opposition to caging wild animals grows. Thank you.

The Chair (Mr. Peter Tabuns): Thank you. Okay. To the opposition: Mr. Nicholls.

Mr. Rick Nicholls: Ms. Kavanagh, thank you so much for coming here today. Yes, I did see *Blackfish*, as a matter of fact, and I believe that was trainer error, from what I understand. You also talked about captivity and Kiska being kept alone. I guess a question I might have is: What happens if, in fact, an orca gets washed up onshore and it needs to be rehabilitated? Where would that go? Of course, I would think there's a good possibility that that orca could, in fact, go to Marineland to join Kiska.

I agree that they are social animals, but here's the question I have for you. You previously made the claim over your social media that animals being kept for entertainment is a form of cruelty. In your opinion, is there ever an instance where it's okay to keep an animal captive for the purposes of entertainment, provided the animal is kept in adequate living conditions?

Ms. Lynn Kavanagh: In this case, do you mean marine mammals or animals in general?

Mr. Rick Nicholls: Well, the question is, is there ever an instance where you think it's okay to keep an animal captive for the purposes of entertainment?

Ms. Lynn Kavanagh: For the purposes of entertainment?

Mr. Rick Nicholls: Of entertainment, provided that the living conditions are adequate for the animal.

Ms. Lynn Kavanagh: We have a position against marine mammals in captivity as an organization. That's what we're here today to speak about. So, in general, we don't support animals in entertainment, when they're used in performance situations.

Mr. Rick Nicholls: So if that animal, though—that mammal—is receiving proper medical care, the water conditions are above average and the size of the pool is adequate, the food is monitored—everything is monitored and everything is okay, and the mammal seems to be all right.

The Chair (Mr. Peter Tabuns): You have a minute left, Mr. Nicholls.

Mr. Rick Nicholls: I guess my question to you is: Would you think that that would be all right?

Ms. Lynn Kavanagh: Well, really I would like to stick to the topic at hand, which is Bill 80. However—

Mr. Rick Nicholls: Mammals, orcas, Kiska.

Ms. Lynn Kavanagh: We don't believe that Kiska's needs or the needs of cetaceans can be met adequately in captivity. As I mentioned, I have a report that I've provided a copy of to everyone on a USB stick. There's a multitude of citations in that report that provide evidence to show that.

Mr. Rick Nicholls: I see; okay. How much time do I have, Chair?

The Chair (Mr. Peter Tabuns): Thirty seconds.

Mr. Rick Nicholls: All right. Again, I go back to Kiska; I go back to—this mammal is being cared for extremely well. What would your thoughts, then, be if suddenly they were able to provide another orca for Kiska because she's a social animal, in the same living conditions? Would that be all right?

Ms. Lynn Kavanagh: Well, no. What I'm asking here today is that cetaceans—

The Chair (Mr. Peter Tabuns): I'm afraid you're out of time. My apologies.

Ms. Lynn Kavanagh: Okay.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: If you wanted to finish that thought, you may.

Ms. Lynn Kavanagh: Yes. As I said in my statement, our position is that we would like to see the end of cetaceans in captivity. So, no, because as I also mentioned, we don't believe their needs can be adequately met in a captive environment. Even if they're well cared for to the best of people's ability, the environment itself is not satisfactory.

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Ms. Jennifer K. French: Just for my own clarification, because obviously we're hearing from different voices on this issue in terms of better models for standards and some of that—just so that I'm clear on your position, it's not necessarily the standards; it's just captivity in general?

Ms. Lynn Kavanagh: Well, I'm speaking about Bill 80, which states about banning orcas. What I'm asking today is that that be expanded to other cetacean species because they are so similar in their needs and nature. Based on what Minister Naqvi has said and the reason he put forward the bill in the first place, as I'm saying, it applies to other cetaceans.

Now I've forgotten part of your question.

Ms. Jennifer K. French: That's okay. I'm totally on to the next one. You had mentioned that wild-caught cetaceans should also be banned. Just for my own understanding, if you could list what those would be.

Ms. Lynn Kavanagh: Anything that falls under that biological classification, so generally whales and dolphins and porpoises.

Ms. Jennifer K. French: Okay. Earlier in your submission, you said that your organization works on a number of projects. I've met with different groups and had different opinions come in. This bill is a very specific issue, but would there be another project that perhaps this ministry might have prioritized over this?

Ms. Lynn Kavanagh: Do you mean related to marine mammals or—marine mammals in general?

Ms. Jennifer K. French: Just in general.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Jennifer K. French: This ministry brought forward this bill, and you're right; it's specific to marine mammals. But is there a direction you would—

Ms. Lynn Kavanagh: You know, I can't answer that right now. I'm sorry. This particular issue isn't one of our

main issues right now, but we have, in the past, worked quite a lot on and given input into the revised OSPCA Act when that came about. Right now, we're not working, generally, as a main issue, on captive animals in zoos and aquariums, but because of our strong position against it we want to have a say.

Ms. Jennifer K. French: Okay. Do we have any time?

The Chair (Mr. Peter Tabuns): You have 20 seconds.

Ms. Jennifer K. French: If you wanted to make any further comments on the complex needs and perhaps depth or width or size or volume or tank constraints.

Ms. Lynn Kavanagh: That pertains to the standards of care, and we have given input into that. For sure, we would like to see improved standards of care where marine mammals are going to be living in captive environments, absolutely.

The Chair (Mr. Peter Tabuns): I'm afraid you're out of time. We'll go to the government: Mr. Anderson.

Mr. Granville Anderson: Thank you very much for coming here to present this afternoon. I guess your position is clear that there is no type of social activity for animals that you would support—it doesn't matter how large the facility or how adequate it is.

Specifically in Kiska's situation, I heard earlier that the animal is old and it would be too dangerous to remove the animal from its current environment. Do you have any position on that? Do you think it would be in the best interests to remove the animal at this point to a separate location?

Ms. Lynn Kavanagh: I would like to see an assessment of her health state and mental health state to know if she can safely be moved. I think that it is in her best interests to not live alone. Right now she lives in social isolation. That is not in the best interests of an orca, who is a highly social being. But to say that she cannot be moved would need, I think, several expert opinions.

You had another question before you asked that one.

Mr. Granville Anderson: Finish your thought.

Ms. Lynn Kavanagh: I've finished on that point. You had another question?

Mr. Granville Anderson: Okay. Say the assessment is done and it's proven that it's too dangerous to remove the animal. Would you be in agreement that a companion be found if there is one suitable to join the animal at this point?

Ms. Lynn Kavanagh: That would defeat the purpose. I would prefer that that not occur, because that would then be meaning there are more animals—we want to see the end of cetaceans in captive environments, so no.

Mr. Granville Anderson: Okay. My colleague—

Ms. Lynn Kavanagh: I think you had another question about enrichment and social—

Mr. Granville Anderson: Yes.

The Chair (Mr. Peter Tabuns): You have a minute left.

Ms. Lynn Kavanagh: Okay. Of course we want to see improved conditions and as good conditions as

possible that can be made for these animals. But in the case of cetaceans and even in other marine mammal species, really no matter how good—bigger tanks or how good a level of care and enrichment, these animals are so complex and their lives in the wild are so vastly different that they cannot be met adequately in captivity. That's our position. As I said, there's more evidence in the report, and I hope you'll have a look at that.

Mr. Granville Anderson: Okay. Thank you. Any time left?

The Chair (Mr. Peter Tabuns): You have 15 seconds.

Mr. Granville Anderson: Okay. Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much, Ms. Kavanagh.

Ms. Lynn Kavanagh: Okay. Thanks.

ANIMAL ALLIANCE OF CANADA

The Chair (Mr. Peter Tabuns): We now have a presenter on the line from Animal Alliance of Canada. You may have been listening in. You have five minutes to present and then there will be three minutes of questions from each party, and I'll remind you at the 60-second mark that you have a minute left.

So, Ms. Rose, would you introduce yourself for Hansard.

Dr. Naomi Rose: Sure. Can you hear me?

The Chair (Mr. Peter Tabuns): Yes, clearly.

Dr. Naomi Rose: All right. This is Dr. Naomi Rose. I'm a marine mammal biologist. I actually work for the Animal Welfare Institute, but I am here today representing Animal Alliance. I'd like to thank you very much for having me on teleconference. I understand that's a rather difficult technical matter.

I am an orca biologist. My PhD dissertation was on orca behaviour in the wild, so I am an orca expert. I consider this proposal before you to be very progressive. You would be a leader in North America, certainly, on this issue if you passed this bill.

I do have two concerns regarding it. One is that it is limited to orcas. I know that the previous speaker was asking about expanding it to include other cetaceans, and I second that request.

The second aspect of the bill that I think is problematic is that it excludes Kiska. Again, I know that previous speakers have addressed this, so I will simply say I agree that Kiska's situation is untenable. As somebody else pointed out, killer whales, orcas, are amongst the most social animals in the world. As I said, I studied them in the wild, and you do not see solitary orcas. Certainly you don't see them when they are fish eaters, as Kiska is. They are highly social animals, and her situation is unique in the world. There are three orcas that live without other orcas, but they have dolphins with them—the other two have dolphins with them. The one in Argentina and the one in Miami have dolphins living in the tank with them.

Kiska is completely solitary, and that is really unimaginable, from my standpoint. Having studied these

animals for so many years in the wild, I can't even comprehend what it must be like for Kiska being in that plain, barren tank without other companions of any sort in her taxon. It's just inconceivable to me.

So I think, regardless of her age, if her health is good, she should be moved. Whatever risk is inherent in transporting these animals, and there is risk, it is justified by trying to improve her social situation, which is irremediable in its current incarnation. There's no way to improve her situation.

I know that somebody suggested in the previous question and answer that perhaps another orca could be brought in to be a companion to Kiska. That was tried. That was Ikaika. It didn't work out well, and he was returned to his original facility. So I don't think that's really an option for Kiska. I think she needs to be moved entirely to a separate, well-run facility in another place. Ideally, closest to her would be Orlando or San Antonio, Texas. There are two orca facilities in those locations.

I am not in favour of keeping orcas in captivity, but when it comes to the welfare of an individual animal whose welfare is currently being compromised, I'm willing to settle for a compromise. In this case, it would be to send Kiska to another facility.

So I do agree with expanding Bill 80 to encompass belugas, bottle-nosed dolphins and other cetaceans, and I do agree that Kiska's situation needs to be improved to the point where she's moved to another facility with other orcas.

That concludes my remarks, and I'm happy to take any questions from the committee.

The Chair (Mr. Peter Tabuns): Thank you, Dr. Rose. The first question is to Ms. French from the third party.

Ms. Jennifer K. French: Thank you very much. I appreciate your remarks. I think it's appreciated to hear from someone who has worked with them in the wild.

To your earlier point that there are other orcas in facilities or who historically have had companions that were not orcas—you had said dolphins: Is there an opportunity for that here if she can't be moved?

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Dr. Naomi Rose: I could be wrong, so you need to ask Marineland about this, but my understanding is that Kiska was not compatible with any animals they tried to put in there with her, whether they were belugas or bottlenose dolphins. This is an individual thing with her, apparently—and these are individual animals with individual personalities; what may be doable or feasible with one animal may not be with another. Apparently, with Kiska it's another orca or nothing.

Ms. Jennifer K. French: You had referenced some of the earlier speakers. I'm not sure if you heard at the beginning when we were talking about specific standards—in this case, the UK standards versus the CCAC recommendations. Do you have opinions on that, in terms of the tank constraints, for lack of a better word?

Dr. Naomi Rose: Yes, I do have opinions about that. I have been involved in the United States on a negotiated

rule-making panel where we discussed the standards here in the US. That process is ongoing, and I've been part of that process, believe it or not, for 20 years. We are still trying to improve the tank dimensions, the standards for water quality and so on here in the United States.

I've also been involved in discussing standards in the Caribbean and in the European Union. It's one of the things I do as part of my job, so yes, I'm very interested in helping with those standards if that is one way of going forward.

Ms. Jennifer K. French: Were you involved in the technical advisory group?

Dr. Naomi Rose: I am consulting with Zoocheck on that, and I'll leave them to respond to that.

Ms. Jennifer K. French: Okay. So in terms of adopting the proposed UK standards as the model—do you have thoughts on that?

Dr. Naomi Rose: They are currently the best in the world. I think that they can be improved even beyond that, but they are currently the best in the world.

Ms. Jennifer K. French: As opposed to the CCAC standards?

Dr. Naomi Rose: Yes. The CCAC standards, as far as I could tell from what I saw when I looked at them, were not specific enough. The US standards are poor; they shouldn't be used. The UK standards are currently the best in the world.

Ms. Jennifer K. French: Okay. Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much, Ms. French. Mr. Balkissoon.

Mr. Bas Balkissoon: Thank you, Dr. Rose, for being with us. I listened to you carefully. You're suggesting that Kiska should be moved, but you also said Kiska is an individual and it would be a special circumstance. Why are you so confident that if they move Kiska, it will work?

Dr. Naomi Rose: Oh, I'm not confident at all, sir. I just think that the known risk of her remaining in her current inhumane situation is clearly untenable. I think the risk of moving her to a situation where there are other orcas is real—there is a risk—but I think it's doable and must be pursued, because her current situation, which is known, is inhumane.

Mr. Bas Balkissoon: I don't know if you paid attention to the folks from Marineland when they presented—

Dr. Naomi Rose: I'm sorry; I wasn't on the phone at that point.

Mr. Bas Balkissoon: They made it very clear that Kiska is very old and taking a chance to move her at this time is very dangerous. So that's why I was concerned you felt confident that moving the mammal at this time was the best thing to do.

Dr. Naomi Rose: Their confidence that she would be harmed is baseless, just as if I were confident that there would be no harm would also be baseless. I'm just talking about risk assessment. I think the known risk of leaving her where she is is untenable and inhumane; I think the known risk of moving her is worthwhile. I think

it is in her best interests to make the attempt to move her to a facility with other orcas.

Their evaluation of her as old—well, I can just tell you that she isn't old, at least not from the perspective of wild orcas. Wild orcas live to be 50, 60, 70, 80 or 90 years old. Kiska is not even 40 yet, therefore she would be middle-aged. I do think the risk is worth her well-being.

The Chair (Mr. Peter Tabuns): You have a minute left, Mr. Balkissoon.

Mr. Bas Balkissoon: Therefore, really, you understand that this is really up to Marineland to voluntarily move the mammal.

Dr. Naomi Rose: I don't really know how it works in Canada; I'm an American. My whole point, I thought, was that this is something that outside experts and the government can determine is in the best interests of this animal; that it shouldn't be left up to Marineland, quite frankly.

They have a conflict of interest in doing what's best for her, because she doesn't even perform anymore. She is simply there. I've been to see her several times, and she's simply floating there. She doesn't do anything. Her life must be really quite unbearable for her internally, just in her mind, and I just don't think it should be left up to Marineland. They have a conflict of interest in making decisions about her future.

Mr. Bas Balkissoon: Thank you very much.

The Chair (Mr. Peter Tabuns): Thank you. Now to the opposition. Mr. Nicholls?

Mr. Rick Nicholls: Thank you very much, Chair. Good afternoon, Dr. Rose.

Dr. Naomi Rose: Hello.

Mr. Rick Nicholls: You've made some statements that I found were a little bit—well, let me just simply say this. You talked about the UK standards being the best in the world. Well, if they're the best in the world, perhaps you can share with us as to why no countries have ever implemented these standards.

Dr. Naomi Rose: Because they are apparently economically difficult for facilities to meet and still make a profit, which is one of the reasons why I believe these animals shouldn't be held in captivity unless they're in non-profit facilities. When you start exploiting wildlife for profit, you start making decisions that aren't necessarily in their best interests, or in the best interests of their long-term welfare. As long as you are making a profit, you are going to do what you're going to do.

In the case of the UK standards, they in fact did close down all the facilities in the UK, because they decided it wasn't worth operating under those standards, and their profit margins shrank to the point where they didn't think it was worth operating. So if the best you can do for the animals is economically unfeasible from a for-profit standpoint, then you shouldn't be holding the animals in the first place.

Mr. Rick Nicholls: Well, I know that here in Ontario we have the CCAC standards and they seem to be doing just fine. But I have a question for you.

Animal Alliance has a long history of being active in the animal rights movement, and of course you've fought many valiant causes. However, at times your organization has advocated for policies that would drastically hurt the communities involved. So in your opinion, has there ever been an instance where captive animals, provided they are cared for in an adequate and appropriate manner, could be used to serve the interests of a community, whether it be economically or socially?

Dr. Naomi Rose: I am a marine mammal biologist and I do not address other captive wildlife. I leave that to the experts. I am an expert on marine mammals—

The Chair (Mr. Peter Tabuns): You have one minute left.

Dr. Naomi Rose: —so what I will tell you is that I believe there are ways to educate people about these animals, to serve the community with information about these animals, that don't require living animals to be held in captivity. I believe that technology has advanced to the point where we can do a great deal for communities and for local economies with high-tech displays that are cutting-edge and bring in tourists from miles around to see something that they wouldn't see anywhere else. Dolphinariums are everywhere. If you want something that nobody can see anywhere else, then you need to come into the 21st century.

Mr. Rick Nicholls: I guess I'm concerned, Doctor, because you talk about how this bill doesn't go far enough and you want to see dolphins banned; you want to see all kinds of wildlife banned. And yet you've got a community that employs over 700 at one facility but also touches upon several thousands of other jobs in the community which in fact would be impacted by the shutting down of Marineland, in this particular case. So I have a concern in that regard—

The Chair (Mr. Peter Tabuns): Mr. Nicholls, I'm sorry to say that you're out of time.

Dr. Rose, thank you very much for your attendance today. We have to go on to our next presenter.

Dr. Naomi Rose: Thank you.

ZOOCHECK

The Chair (Mr. Peter Tabuns): Our next presenter is Rob Laidlaw. Have a seat. You've seen the procedure. I'll give you your one-minute warning when you get close to the end of your time.

Mr. Rob Laidlaw: Okay. Thank you very much. Good afternoon, committee.

I was very pleased when Minister Madeleine Meilleur, followed by Minister Yasir Naqvi and then the Ontario government, decided to put the proverbial final nail in the coffin of killer whale keeping in Ontario, and I would like to congratulate the government of Ontario for moving in that direction. I think it's a great direction to move in.

As you know, during the past several years, thousands of Ontarians have expressed their opposition to, or concern about, the keeping of marine mammals in captivity,

particularly the whales and dolphins that we've been discussing today. In fact, not that long ago, I was present in the Legislature when an 85,000-person petition on this issue was delivered to former Premier Dalton McGuinty. So I think it's safe to say that public sentiment about the captivity of marine mammals, and indeed about other animals, is changing. If it weren't, I don't think any of us would be in this room today having this discussion.

Because I've only got a few minutes, I only have a few points to make. I'll be reiterating a couple that others have made, and then one that I think is a little different.

First, we certainly endorse the call to expand this prohibition. Minister Naqvi identified several killer whale characteristics that were mentioned previously—the wide-ranging, deep-diving, highly social nature of these animals—and they were used as the government's basis for banning orcas in the province. Well, we believe that prohibition should also extend to Kiska, the sole surviving killer whale at Marineland, because she shares all those characteristics with her wild counterparts and deserves the same consideration. She shouldn't, as a highly social animal, be left to live the rest of her life—and she is only middle-aged—in complete social isolation. As well, we believe the prohibition should be extended to other whales and dolphins because those characteristics identified by the minister are also shared by other cetacean species.

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A key recommendation of the government's expert report was the regulation of the importation of wild-caught marine mammals, and I think this is a very important thing that has to be done here. At present, Ontario is the only North American jurisdiction with captive whales and dolphins that does not regulate the import of marine mammals. Even cruelly captured animals, such as the belugas in Russia and the Solomon Islands dolphins, can be imported in an unfettered way into the province.

The US regulates marine mammal imports through the Marine Mammal Protection Act, which involves a very extensive public consultation process. In fact, in 2013, after just such a process, the administering agency, the National Oceanic and Atmospheric Administration, turned down an application from a number of major US aquariums to import 18 wild-caught belugas from Russia.

Mexico also has a marine mammal protection act, and here in Canada, the Vancouver Aquarium, the only other facility in the country with whales and dolphins, is regulated through a park board bylaw, which mandates that no wild-caught cetaceans that were caught after 1996 can come to the aquarium.

Federally, whales and dolphins cannot be captured for public display purposes in Canadian waters. Ontario currently stands alone in allowing the import of whales and dolphins from anywhere for public display.

While we would prefer a complete phase-out of cetacean captivity for the reasons stated by previous speakers, we think at the least the Ontario government should end the import of wild-caught cetaceans.

My last point is that even though the Ontario SPCA Act is concerned about animal protection and welfare—and that's what we're here to talk about, not economics—I do want to make a comment about economics. I think it's important to remember that this entire process today, at this point in time at least, is dealing with a single private business. There's no real marine mammal industry in the province; it's one private business.

Marineland currently has 40 belugas, more than all US aquaria combined—the largest single collection of captive belugas in the world. If imports of wild-caught whales and dolphins were to stop today, it is likely that Marineland would still have a viable display of belugas 10, perhaps 15, even 20 years from now. That's because the beluga deaths will be somewhat compensated for by births. If you banned wild imports they would still have their animals, if they stay here.

Marineland also would have the option of acquiring other animals already captive in other aquaria and marine parks. It's a very generous and lengthy transition period. They can transition to other types of animals: to sharks, to pinniped displays. They won't go out of business. Many zoos all over the world have evolved and changed their format over the years to change with the times, and Marineland could do that. The suggestion that prohibiting wild-caught whales and dolphins or having standards in place would adversely affect Marineland's business I think is an erroneous suggestion.

Therefore, I urge the committee to move forward with the recommendation to prohibit the importation of wild-caught whales and dolphins, and to include Kiska in the orca prohibition.

The Chair (Mr. Peter Tabuns): I'm afraid you're out of time. We'll go to the government. Mr. Balkissoon?

Mr. Bas Balkissoon: I just want to say thank you very much for being here and making your presentation. I have no questions. Thanks.

The Chair (Mr. Peter Tabuns): Okay. To the opposition. Mr. Nicholls?

Mr. Rick Nicholls: Thank you, Mr. Laidlaw, for coming. I realize you're waving the company flag in stating the opinions of Zoocheck, and I respect that, but I think we need to look at the total picture here, which is not just the animal's well-being, which I admire and I support, but also, there are regional economics that we also need to look at in this entire thing.

Some questions for you very quickly: During the OSPCA and CAZA investigation of Marineland, Zoocheck, your organization, criticized the social isolation of Kiska, the orca whale. Would you support actions taken by Marineland to bring in a partner for Kiska?

Mr. Rob Laidlaw: Absolutely not. I think the time is right for ending this practice in Ontario. We've got one whale left; we don't want to prolong the problem. What if one of those whales dies? You'll be faced with the same situation. Do we then bring in another whale, and then another whale, as they die off? I don't think that's the answer to anything.

I think we have to say to ourselves, "Let's make a tough decision. Let's get this through and let's force

Marineland to move that orca to a better situation where Kiska's complete social isolation is mitigated, and let's be done with it." That's what the public wants; that's what Ontarians have said—

Mr. Rick Nicholls: No, I think that's what you want, Mr. Laidlaw. I would challenge you: We've already heard from Marineland that Kiska is not well enough to travel. Okay? You'd be putting her health in danger, period—bottom line. The previous speaker also said that she should be moved and perhaps taken to maybe SeaWorld or someplace in Texas, that type of thing. Well, let's go on the premise that she can't be moved. Zoocheck has also criticized CAZA's investigation into Marineland, stating just how ineffective the organization is and how remarkably low their standards are. Yet CAZA's standards—

The Chair (Mr. Peter Tabuns): You have a minute left, Mr. Nicholls.

Mr. Rick Nicholls: —have, in fact, been recognized as the benchmark of Canada. This is where we live. So what in particular do you find unsatisfactory about CAZA?

Mr. Rob Laidlaw: CAZA's standards are very brief. They're vague. They're not species-specific. We don't feel, based on history, that CAZA has the capacity to properly monitor their member institutions or to ensure compliance with their own regulations. In fact—

Mr. Rick Nicholls: Do you support the UK?

Mr. Rob Laidlaw: We feel that the UK standards are a good starting point for the discussion for standards in Ontario, but it's premature to really comment on the standards, because they're not yet developed. With regard to Kiska being moved, it's like Dr. Rose said: The potential return in terms of welfare enhancement for Kiska by being moved is well worth the risk.

We moved the Toronto Zoo elephants. We've moved entire zoos full of animals. We've moved big cats across countries. Every single time zoos and aquariums said they're too sick to be moved—

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time. We'll go to the last questioner, Ms. French.

Ms. Jennifer K. French: If you wanted to finish that thought, you could go ahead.

Mr. Rob Laidlaw: I would say that you have to consider that zoos and aquariums are saying these things because it's in their own interest to say these things; it's not necessarily in the best interests of the animals.

We've moved many animals of a whole range of species, from sea turtles to elephants. Every single time zoos and aquariums have said, "They're too sick to move; they're too old to move; they'll die in transport," we've never had that happen. The people who we work with who transport animals—we just had a team in Mexico looking at transporting a polar bear to the UK—have never had that experience either.

Yes, there's a risk. But to believe that a 40-year-old orca, a middle-aged orca, doesn't deserve the chance to have its social isolation mitigated is ridiculous. It's absolutely ridiculous. She should be moved.

Ms. Jennifer K. French: We've now heard that she's middle-aged. We've also heard that she's old. Why are we hearing those two different—

Mr. Rob Laidlaw: Because if you look at what zoos and aquariums often do—they often say that elephants that are in their forties are elderly elephants. In fact, that was the case in Seattle recently. They moved two elephants called Chai and Bamboo to the Oklahoma City Zoo. During that debate, they said their elephants were old. Well, the oldest African elephants are over 70. The oldest documented Asian elephant was 86 years old. There are two elephants in the Panna Tiger Reserve who are 95. You'll find that they really downplay the age because it suits their own purposes.

If you look at orcas, there were 103-year-old orcas sighted off the coast of BC just recently. There are documented orcas that are exceeding 90 years of age. So she's not old; she's middle-aged. The science shows that.

Ms. Jennifer K. French: Thank you. You had made an earlier point suggesting that there might be opportunities for transition.

Mr. Rob Laidlaw: Yes.

Ms. Jennifer K. French: One of the things that you mentioned was about sharks. I have what I consider a basic understanding of the difference.

The Chair (Mr. Peter Tabuns): You have a minute left, Ms. French.

Ms. Jennifer K. French: The tanks that are currently in existence and meeting the standards now, why are those appropriate for sharks, but not—

Mr. Rob Laidlaw: Well, there are no standards now. But I think that you can look at the infrastructure of any facility—whether it's a zoo for terrestrial animals or an aquatic zoo, like Marineland—and adapt what you've got there in terms of infrastructure for other creatures.

Lots of facilities do that. The Minnesota Zoo transitioned from an exotic species zoo to a cold-weather animal zoo. You see this all over the world, and I've seen zoos all over the world and aquariums all over the world. I think there's a tremendous opportunity.

Personally, I don't like what's at Marineland, but I think they're missing an opportunity to evolve with the times. I think they could have a much better facility that would attract more people if they just evolved and went with the times and saw that this is all coming anyway.

The Chair (Mr. Peter Tabuns): I'm sorry to say you're out of time. Thank you very much.

Mr. Rob Laidlaw: Thank you.

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ANIMAL JUSTICE

The Chair (Mr. Peter Tabuns): Our next presenter, then, is Animal Justice: Camille Labchuk. As you've seen, you have up to five minutes to talk. I'll give you a warning when you're running out of time. If you'll introduce yourself for Hansard.

Ms. Camille Labchuk: Thank you. I'll just grab some water.

The Chair (Mr. Peter Tabuns): Sure.

Ms. Camille Labchuk: Good afternoon. I'm Camille Labchuk. I'm a lawyer with Animal Justice, where I serve as director of legal advocacy. We're a national organization using the law and legal skills to help animals and advocate for stronger protections for their interests. We're the only organization in Canada focused specifically on animal law.

The thrust of my comments today is that while we welcome with open arms the ban on the future acquisition and breeding of orcas in Ontario, this barely even touches the tip of the iceberg of marine mammal welfare in Ontario. Without addressing some of the more fundamental problems, Ontario will continue to fail animals in this province.

I'm going to touch on some points in the submission—I believe you have paper copies that you can access as well, which I provided to the Clerk—but the first three points are ones that have been made by Mr. Laidlaw and some other presenters.

(1) Extend protections for orcas to Kiska. The government has already acknowledged that orcas are inappropriate for captivity due to their large size, their ability to dive deeply and swim up to 100 miles per day and their inherently social nature. No mere change in the standards of care for Kiska will compensate for the fact that she is kept in isolation and is afforded no opportunity to socialize and interact with members of her own species. If she's not included in the ban, she will be doomed to die in isolation.

(2) Extend the prohibition on breeding and importation to other cetaceans. The rationale for prohibiting the captivity of orcas extends equally to other species, like belugas and dolphins, which are also wide-ranging, deep-diving, very social creatures. They're equally deserving of protection.

(3) Prohibit the importation of wild-caught cetaceans and pinnipeds. I don't propose to expand on this too much more as Mr. Laidlaw has already done so, but obviously, Ontario is the only province that still permits this practice.

(4) It's critically important to establish a licensing regime for zoos and aquariums in Ontario. Right now our province is the Wild West, frankly. We don't protect animals by requiring that zoos and aquariums be licensed, and wild animal owners should be required to seek permits.

Licensing these facilities, in my view, is quite fundamental to protecting animals from abuse and neglect and protecting public safety. At present, the government does not have the authority to stop a zoo or aquarium from operating despite standards that could be quite poor. We don't have comprehensive, enforceable standards for animal care in zoos and aquariums and we don't require record-keeping for zoo and aquarium animals. There's no degree of any appropriate education, expertise or financial ability on the part of animal owners, handlers, custodians and facility operators.

In our view, this is essential to addressing the interests of marine mammals and it's a critical component of what should be in Bill 80.

(5) We believe that there should be regular, mandatory, unannounced inspections provided for in Bill 80. Complaint-based enforcement of animal welfare concerns is inappropriate for zoos and aquariums as the model doesn't work. Complaint-based enforcement relies on complaints from the public, and when much of these animals' lives takes place away from public view, unless we have a whistle-blowing employee, the public and authorities are often kept in the dark respecting animal welfare issues.

We would counsel regular, vigorous, unannounced inspections of captive animal facilities, with the assistance of vets and other personnel with expertise in marine mammal welfare.

(6) We need to ensure veterinary records for marine mammals, inspection reports of facilities and details of enforcement action will all be made public.

Obviously, the welfare of marine mammals is an issue of deep concern to all Ontarians; we've seen that. But currently, transparency around animal welfare concerns is sorely lacking. Greater transparency will help ensure accountability and public confidence.

Finally, any standards of care that are promulgated should have a five-year sunset clause so that after five years—

The Chair (Mr. Peter Tabuns): You have one minute left.

Ms. Camille Labchuk: Thank you—the standards are reviewed to reflect the state of marine mammal science. Our understanding of the physiological and psychological needs and welfare of marine mammals is constantly growing as a result of the research that's being conducted on these animals on an ongoing basis. The standards of care must be regularly updated to reflect that.

In conclusion, we're asking you to not forget that you govern not simply for the people, but for animals as well. I thank you for the opportunity to comment today on the proposed changes in Bill 80.

The Chair (Mr. Peter Tabuns): Thank you very much. We go first to the opposition. Mr. Nicholls.

Interjection.

The Chair (Mr. Peter Tabuns): Have you been subdued in, Mr. Hudak?

Mr. Tim Hudak: I can still ask questions.

The Chair (Mr. Peter Tabuns): Okay.

Mr. Tim Hudak: Thanks very much for the presentation.

I know that Animal Justice said that circuses should be shut down in the province, that they're considered an act of cruelty. Are you of the same view of Marineland's mammal show, that it should be shut down entirely?

Ms. Camille Labchuk: We have a problem with marine mammal exhibition and performance. Certainly, the state of the science shows us that marine mammals can't be kept in captivity without raising serious concerns for their welfare. They're simply not appropriate candidates for captivity.

Mr. Tim Hudak: Yes, but you guys want circuses closed down. I just think that Animal Justice's view is

outside of the mainstream when it comes to the approach. I appreciate it—I think you're sincere about your beliefs—but you would like to see Marineland close down altogether, I would imagine, when it comes to the sea mammals.

Ms. Camille Labchuk: I've never actually said I'd like to see Marineland close down altogether. I think what we know and what science tells us is that marine mammals, particularly cetaceans, are inappropriate as candidates for captive animals. They simply don't do well in captivity, and we shouldn't be keeping them in that position.

That said, I think I would agree with Mr. Laidlaw in his remarks. Marineland is missing an opportunity to transition to an alternate business model that removes some of the worst forms of cruelty to marine mammals.

Mr. Tim Hudak: I know the views of your group are more on the fringe side, from time to time, when it comes to shutting down acts altogether. I appreciate the views that you have, but almost a million people every year enjoy going to Marineland. They enjoy taking their kids there. They enjoy the entertainment side, learning more about the animals. The concern I've expressed is that the government's approach may be a backdoor way to try to close the park down, and I think we should be very, very careful about that.

We support high standards. As we've heard from CAZA today, the CCAC approach—I just worry that some of the groups that have come before us today are actually looking to close the park down entirely and deny the opportunity for the jobs and for local families to benefit, subject to high standards.

We share the view that the government's approach, which would condemn Kiska to a life in solitary confinement, is the wrong approach. There should be a common-sense amendment to allow companionship for Kiska. We've heard scientific evidence that Kiska being moved at the current age would currently kill her. We don't think euthanizing a killer whale is the proper approach. That's why we're proposing an amendment to ensure that Kiska can have companionship. We just feel that permanent sentence of isolation is a very bad aspect of Bill 80.

Ms. Camille Labchuk: I agree with you that permanent isolation isn't appropriate for Kiska, and that's why we advocate that she be moved. I think the only scientific evidence we heard today—we heard from a lawyer for Marineland, but the scientist, Dr. Naomi Rose, certainly didn't share his view that she would necessarily die.

The Chair (Mr. Peter Tabuns): I'm sorry to say, Ms. Labchuk, that your time is up on this question.

I go to Ms. French, for the third party.

Ms. Jennifer K. French: Actually, you brought up a point that we've heard earlier as well: that Ontario is the only jurisdiction that still allows the importation of wild-caught cetaceans. Could you give me a little bit more of an understanding there, please?

Ms. Camille Labchuk: Absolutely. The federal government of Canada prohibits the wild capture of cetaceans in Canadian waters, but unfortunately there's a

massive loophole at the federal level that still allows for the importation of cetaceans and other marine mammals that have been captured elsewhere.

Currently, there are two facilities that house cetaceans in Canada: Marineland is one, and the Vancouver Aquarium is the other. The aquarium, as Mr. Laidlaw explained, has had a bylaw imposed upon it by the parks board of Vancouver that it not capture wild animals and import them into its facility. It not only has had that imposed, but it has also agreed to do so, because the aquarium believes that doing so is inappropriate. That really leaves Ontario as the only province with a marine mammal facility operating that allows for the importation of wild-caught marine mammals into that facility.

Ms. Jennifer K. French: To your point earlier, you had said it was like the Wild West, that currently the government doesn't have the authority to shut down or address—I missed what you had said. Was it unlicensed zoos and aquariums?

Ms. Camille Labchuk: Well, the problem is that there is no licensing regime for zoos and aquariums, so in theory the government does not have the authority to shut down a facility that's operating. It doesn't have to operate pursuant to a licence. Any private individual in this province could go and obtain an exotic animal if he or she wished to do so and display that exotic animal for commercial purposes. In our view, this is something that absolutely needs to be regulated. The only way that the government can have effective oversight—

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The Chair (Mr. Peter Tabuns): You have one minute left.

Ms. Camille Labchuk: —over such operations is to regulate and license and permit zoos and aquariums.

Ms. Jennifer K. French: You had also made the point, when you were talking about complaint-based enforcement, of relying on other whistle-blowers or public complaints and the need for greater transparency. What would that greater transparency, generally speaking, have to look like?

Ms. Camille Labchuk: In many jurisdictions, inspection reports done by authorities of captive animal facilities are made public and the public has the right to access those documents so that they can effectively oversee what's happening in their backyards as well. We believe pretty strongly that that would enhance public confidence in the system.

Ms. Jennifer K. French: Okay. Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. French. To the government: Mr. Balkissoon.

Mr. Bas Balkissoon: Thank you very much for being here. I listened to you very carefully and I'm glad my colleague asked a question about the licensing regime. But you also made a comment about mandatory enforcement and regular visits. I'm wondering if you had spent any time to read Bill 80, because I'm looking at section 4(1), subsection 11.4—section 1 and section 1.1 of that—and also 11.4.1, and it covers all the inspection processes. I'm wondering if you had a chance to read this and

realize that there are inspections and there are regular visits. There's also the requirement that an inspector is able to take in a veterinarian with them and there is a requirement to produce the records that you mentioned in your comments. So I'm wondering if you actually had a chance to read Bill 80.

Ms. Camille Labchuk: Yes, thank you. I have. What's critically important is that inspections be regular and unannounced and random. I'm glad that you brought up the point about licensed and qualified individuals being brought in, because that's critically important. There are very few veterinarians with actual expertise in marine mammal welfare, and that is an important point. I think it's equally important that the results of those inspections, the results of any enforcement orders that may be levied by the OSPCA, be made public so that not only is the OSPCA overseeing this process, but the public has the right to access that information as well.

Mr. Bas Balkissoon: So what is your concern about section 4.1? When you say "regular," what do you mean by regular? Because to me, this covers what you're asking for.

Ms. Camille Labchuk: I don't have a copy of the bill in front of me, but in my view it needs to be set out on a specific schedule.

Mr. Bas Balkissoon: But if you have a schedule, how does that satisfy your requirement to visit unannounced?

The Chair (Mr. Peter Tabuns): You have one minute left.

Ms. Camille Labchuk: Well, obviously you would not give advance notice to a facility that's being inspected that the inspectors are going to show up.

Mr. Bas Balkissoon: But anybody who has a schedule will give advance notice, so you're contradicting yourself.

Ms. Camille Labchuk: I trust that there are ways of, while still providing regularity, introducing a degree of randomness as well to ensure that the visits truly are unannounced.

Mr. Bas Balkissoon: Thank you, Mr. Chair.

The Chair (Mr. Peter Tabuns): Okay. Thank you, Ms. Labchuk.

DR. LANNY CORNELL

The Chair (Mr. Peter Tabuns): Our next speaker is Lanny Cornell, who is joining us by teleconference. As you probably heard, you'll have up to five minutes to speak and then we'll go through questions, with three minutes to each party. When you have 60 seconds left, I'll give you notice. Would you introduce yourself, please, for Hansard.

Dr. Lanny Cornell: Good afternoon. My name is Dr. Lanny Cornell. I have been working with and studying and caring for marine animals as a veterinarian for over 40 years. I have experience with dolphins, seals, sea lions, whales and many marine birds and sharks.

During my experiences with marine mammals, I have personally removed bullets from at least three killer

whales and several other types of marine mammals which were shot and wounded in the wild. Most of this occurred in the 1970s and 1980s, but, to me, it's interesting to note that since killer whales have been displayed in facilities such as Marineland, the number of animals that have been killed and shot in the wild has decreased considerably.

The female killer whale Kiska lives at Marineland and has been there since the mid-1970s. During that time, she has been observed by and has taught approximately 30 million people about killer whales and marine life in general at Marineland. That you are here today discussing marine mammals in aquariums and zoos is a tribute to the success of Marineland in educating the public and making them aware of these magnificent animals.

At this time, Kiska has been at Marineland for more than 30 years. I have had the privilege of studying her for all of that time. She is among the older of many killer whales in zoos and aquariums across the world. She is currently housed in a facility at Marineland which technologically and physically is amongst the best and largest in the world. She is well adapted, receives considerable attention from her caretakers, and is well fed with quality fish fit for human consumption.

While we would prefer to see her housed with at least one other killer whale, consider that she receives constant attention from her caretakers and that the other whales in the facility, while not killer whales, do allow her communication with other whales.

Consider that she is one of the oldest whales in zoos and aquariums in the world, along with a female killer whale at Miami Seaquarium in Florida and another in California, all of which have been in an aquarium environment for from 30 to 50 years. This means she and the others have been alive as long or longer than any other killer whales not only in the zoological environment but also in the wild.

Consider that some of those animals have been or had been maintained in facilities far smaller and less technologically advanced than Marineland's pools are today.

Consider that Keiko, a large male killer whale, lived over 15 years in a Mexican facility before he was moved to new, modern facilities, and that the pool he was in in Mexico was only 12 feet deep. It was really considered a small dolphin pool.

Consider that other whales have lived or are living in pools 1/10th the size of Marineland's and that they have lived for as long as wild whales.

What, then, is or are the factors which allow these whales to thrive for so many lifetimes in such facilities? Obviously, it's not the size of the facility.

The water quality and food sources are paramount to the long-term health and longevity of killer whales. Even small facilities can have very good water quality. Some are provided with seawater directly from the ocean. Some, like Marineland, are provided man-made seawater. The factors influencing health are the perfect quality of the water, the quality of the food and psychological care, which are most important.

Most of the time, such man-made facilities provide water quality better than that of natural sea water when considering bacterial contamination and environmental pollution as is found in the Pacific northwest today.

The other most important environmental factor is food quality. Whales in aquariums are provided food from sources—

The Chair (Mr. Peter Tabuns): You have one minute left.

Dr. Lanny Cornell: —which are the same as fish food for humans. Food fit for human consumption in modern countries is tested for bacterial contamination.

Thus, we see that outside of great psychological care, the physical factors influencing whales are the most important, not the size of the facilities.

There are those who say a whale or dolphin must be able to swim up to 100 miles a day. The fact is, no whale swims such a distance without a motive, because it would be a waste of precious calories in a hostile and competitive environment.

There are proposals in some countries to enlarge whale and dolphin facilities to great sizes to make them impossible financially for anyone to afford. Such size increases are not necessary for the long-term well-being of killer whales. These are "feel good" proposals only, and have no scientific basis. They are solely designed to eliminate zoological facilities altogether.

Kiska—

The Chair (Mr. Peter Tabuns): Dr. Cornell, I'm sorry to say that you've run out of time for presentation. We're going to the question phase. We'll start with Ms. French in the third party.

Dr. Lanny Cornell: Very well.

Ms. Jennifer K. French: Thank you very much, Dr. Cornell. I appreciate your call and your input.

Just in reading through some of your notes that you were talking about, there's a part here: "This means she and the others have been alive as long or longer than any other killer whales not only in the zoological environment but also in the wild." So some of what we've heard today—we've heard about orcas that have lived about 100 years. What are your thoughts on that?

Dr. Lanny Cornell: Well, I don't know how anybody would know that an orca has been alive for 100 years, because we only started studying them and taking pictures and photographs of them in Puget Sound and that area about 40 years ago. Some of those were sub-adult animals when those photographs started being taken. So that's a pretty good guess, that some of these animals lived 100 years, but it's a speculation.

1540

Ms. Jennifer K. French: Okay. To further that point, though, do you think that living in captivity versus in the wild would make a difference on life expectancy?

Dr. Lanny Cornell: No, I don't think so in this day and age. I don't think so any longer, no. I think there was a time when that could have occurred when animals were originally kept in captivity and nobody knew anything about them, but the scientific data has been so complete

and so enormous on behalf of marine animals that it's not a factor any longer.

Ms. Jennifer K. French: Okay. You've asked us to consider Keiko, a large male killer whale that had lived for a number of years in a Mexican facility, as you said, in a pool about 12 feet deep, considered a dolphin pool. A few points later, you had asked what the factors might be that would allow these whales to thrive for so long in such facilities.

The Chair (Mr. Peter Tabuns): You have one minute left, Ms. French.

Ms. Jennifer K. French: Your use of the word "thrive" there, would you recommend different environments rather than that—12-feet deep? Would you consider that to be living or to be thriving?

Dr. Lanny Cornell: Well, I think that would be living. I didn't indicate that he thrived in Mexico, but he certainly thrived after he left Mexico in a facility that was approximately the size that Marineland is currently, that was built just for him to recover in.

However, the facilities that Kiska is in and also the facilities at other places around the world—the modern facilities are certainly adequate. I helped design a number of those facilities, and I'm very proud of the fact that we've increased the longevity. Not only that, but we have had killer whale babies born in captivity, which had never happened—

The Chair (Mr. Peter Tabuns): I'm sorry to say, Dr. Cornell, you're out of time with this questioner.

Ms. Jennifer K. French: Thank you.

The Chair (Mr. Peter Tabuns): We'll go to the government. Mr. Balkissoon.

Mr. Bas Balkissoon: I just want to say, Dr. Cornell, thank you very much for joining us today, and thank you for your comments.

I just have a question: Do you believe that the development and implementation of an enhanced standard of care, which does not exist in Ontario today, will actually help us improve public confidence in these facilities and the care of these mammals?

Dr. Lanny Cornell: I was instrumental in some of the programming originally that went into the USDA promulgation of rules and regulations for marine animals in the United States. I definitely think that some of these regulations and rules are very important. But when you start talking about building pools that are a city-block wide and 40 or 50 feet deep for maintaining a killer whale, it begins to sound to me like somebody's just trying to make sure that no one can afford it.

Mr. Bas Balkissoon: Thank you very much. Earlier we had a deputant, Dr. Rose, who also claims to have the same credentials as yourself, but her testimony was completely opposite. Have you had an opportunity to listen to her, or are you familiar with her work?

Dr. Lanny Cornell: Well, I'm familiar with her work as a bureaucrat, yes. As a practising veterinarian for caring for whales and dolphins and killer whales in captivity, I'm not aware that she's ever done any of that.

Mr. Bas Balkissoon: Thank you very much.

The Chair (Mr. Peter Tabuns): We'll go to the third party. Mr. Hudak.

Mr. Tim Hudak: Dr. Cornell, thank you very much. Tim Hudak is my name. Thanks for being part of this—appreciate the depth of your experiences. Has Dr. Rose, to your knowledge, treated Kiska? Has she been alongside you over your decades of treatment of Kiska?

Dr. Lanny Cornell: No.

Mr. Tim Hudak: I've got a couple of quick questions for you. We've seen before our committee a number of groups that I think are pursuing more of a vendetta, a political mandate as opposed to truly animal welfare. I think it's animal rights politics trumping animal welfare. For example, Animal Justice basically called Marineland "a house of horrors." I think it's a fringe viewpoint. When I asked if they wanted Kiska to be moved, they basically said it's worth taking a chance. Is that good advice, to just haul Kiska out of Marineland and put her somewhere else?

Dr. Lanny Cornell: Absolutely not. That's almost absurd.

Mr. Tim Hudak: I thought it was cavalier, not absurd. What would happen if Kiska were suddenly moved?

Dr. Lanny Cornell: Well, it would depend on who was able to move her. I would say that there's probably only one or two or three people in the world today who could supervise something like that that could have a good chance of getting away with it. But the average moving environment for a killer whale that size, with her history of illness in the wild—she was terribly ill when she first came to Marineland, and the fact that she's at Marineland is the reason she's alive. She would have died in the wild many years ago.

Mr. Tim Hudak: Would you support a humane amendment to this bill which would allow the minister to permit an additional orca to keep as Kiska's companion and avoid this notion of a life sentence of solitary confinement to the animal?

Dr. Lanny Cornell: If that was something that could be done, I would absolutely say that she would be better off with a companion animal with her, of course. I think we'd all like to see that. Barring the obtaining of an animal for her as a companion, she's doing very well as she is.

Mr. Tim Hudak: A last quick question in the interests of time—

The Chair (Mr. Peter Tabuns): You have one minute left.

Mr. Tim Hudak: Thank you, Chair. I'm respectful of that.

The government has talked about UK standards for tanks. I understand that they've never actually been implemented anywhere in the world. Would you care to comment on that?

Dr. Lanny Cornell: I've never seen anything for whales or dolphins anywhere in the world that's the size of what they're talking about. The facilities at Marineland are actually probably about the largest that there are

in the world today. They cost in the tens of millions of dollars to build. If you start building something a square block big or two square blocks big and 50 feet deep, you're talking about billions of dollars in construction.

The Chair (Mr. Peter Tabuns): Thank you very much, Dr. Cornell.

MS. CARLY FERGUSON

The Chair (Mr. Peter Tabuns): We go to our next presenter: Carly Ferguson. You're familiar with how we operate. I'll give you a minute's notice when you're out of time. Please introduce yourself for Hansard.

Ms. Carly Ferguson: My name is Carly Ferguson. I'm just a mom, just an ordinary person. Thank you for giving me the time.

I'm here today on behalf of Kiska, Ontario's last captive orca. If Kiska is not included in Bill 80, it will ensure that she spends the rest of her life in solitary confinement, never to see another member of her species again. Obviously, Kiska cannot speak for herself, so I am here to speak for her.

Something must be said for what experts have described as "the world's loneliest orca," who has been an unwitting tourist attraction for almost 40 years. I appreciate the time I've been given to do that.

All experts, including those I have consulted and the government's own, agree that no new standards, no bigger tank, no amount of rubber balls, tires on a rope or interaction with trainers could compensate for Kiska's isolation. Dr. David Rosen, the government's expert, states in his report, "Social isolation has been demonstrated to result in adverse behavioural and physiological consequences.... For many species, social isolation is clearly a stressful condition.... Most curators have recognized that social groupings can improve the well-being of animals in their care." Why is the government ignoring this?

Through the decades, her tank mates have been moved from her or have died. More devastating is that Kiska has a 100% infant mortality rate. I would ask you to think about that, especially if you're a parent. Kiska has lost five babies. Her first was of unknown name; her second, Kanuck; then, Nova, Hudson and, finally, Athena.

I've spent much time observing Kiska, but not once have I heard her vocalize. What's the point when the only answer would be her own voice bouncing back at her from a concrete wall?

Former senior SeaWorld trainer and bestselling author John Hargrove said, "Kiska ... just breaks my heart. I have to be honest and just say that I often consciously find myself blocking her out of my mind because it's just so horrific, the condition she lives in as a solitary animal. It is the height of cruelty." Every Ontarian should be ashamed to hear that statement.

The Minister of Community Safety and Correctional Services office informs me that most of their phone calls and emails are from people concerned for Kiska. So I ask you to listen to your constituents and the over 28,000

signatures on her petition who are pleading with you to help Kiska.

I would like to read to you a recommendation from Dr. Naomi Rose, who you heard from today: "Kiska's situation is unique in the world—she is the only captive orca being held entirely isolated from other marine mammals. Lolita in the US and Kshamenk in Argentina have other dolphins to interact with—Kiska has no one. She spends endless hours floating listlessly, neurotically circling ... inside her own head in a way we can only liken to prisoners in solitary confinement. Except she has no understanding of why this is her life. It is imperative the government do something to improve her welfare—it is inhumane in the extreme to leave her as she is. She should be transferred to another facility with other orcas."

Our current OSPCA act standards of care for captive wildlife states, "Wildlife kept in captivity must be kept in compatible social groups to ensure the general welfare of the individual animals...."

This provision has been in effect since 2009, so why has Kiska been kept in isolation since 2011? That's over four years now.

As well, CAZA, who we heard from today, state in their accreditation standards, "Animals must be displayed in exhibits and in numbers sufficient to meet their social and behavioural needs. Display of single specimens should be avoided unless biologically or behaviourally correct for the species or individual involved."

1550

Dr. Jeff Ventre, a veteran SeaWorld trainer has sent me this statement to read to you.

"To Parliament:

"Orcas are known to be more social than humans. Within that context, it has become clear that Kiska's situation at Marineland amounts to cruelty. Years of being bored or alone has left her with no viable teeth from chewing on concrete and parts of her facility. Science has demonstrated that captivity is detrimental for killer whales, but Kiska's situation is amplified by the fact she is not only confined, but alone."

Dr. Ventre has said that Kiska has arguably the worst set of teeth of any captive orca. No place else in the world keeps a captive orca in total seclusion. In fact, most countries have laws expressly against it. Only the province of Ontario holds that dubious distinction. I repeat: There is nowhere else in the world that keeps an orca in solitary confinement besides right here in Ontario.

In closing, I urge you to include Kiska in Bill 80's prohibition on orca whales so that she may be transferred to a facility with superior vet care and other orcas. It is the humane thing to do. The decision that you're making today could potentially affect Kiska for the next 30 to 40 years—

The Chair (Mr. Peter Tabuns): Ms. Ferguson, I'm sorry to say that you're out of time for your presentation, and—

Ms. Carly Ferguson: Do not let your legacy be that the last orca in Canada died alone.

The Chair (Mr. Peter Tabuns): We'll go to questions. Mr. Balkissoon?

Mr. Bas Balkissoon: Thank you very much for being here. You're suggesting that we change the legislation and allow Kiska to be moved.

Ms. Carly Ferguson: Yes.

Mr. Bas Balkissoon: You've heard from Dr. Cornell and you've heard from the people at Marineland that the facility at Marineland is the best among all that are available around. Can you clarify? Where would you suggest that Kiska be moved to?

Ms. Carly Ferguson: I've based my opinion off of experts' opinion—and you've heard from Dr. Naomi Rose. She would suggest that no tank, no matter how big it is and no matter how much they say they have superior vet care, can compensate for a killer whale's isolation.

Mr. Bas Balkissoon: So you're suggesting we return her to the wild?

Ms. Carly Ferguson: No, I would suggest that she be moved to another facility that has other orcas, such as San Antonio.

Mr. Bas Balkissoon: Are you sure that they're a willing receiver?

Ms. Carly Ferguson: No, but that would be a step that the government would have to take to recognize that Kiska should not be in isolation.

Mr. Bas Balkissoon: You see that as the government's responsibility to arrange that move?

Ms. Carly Ferguson: I feel that Kiska should not be alone. It also goes against our current OSPCA Act that she's alone. So I feel that, yes, the government needs to step in and do something.

Mr. Bas Balkissoon: Thank you very much, Mr. Chair.

Ms. Carly Ferguson: Also, in your folder there is a transfer recommendation and a transfer plan.

The Chair (Mr. Peter Tabuns): Ms. Ferguson, we're going to go on now to the opposition. Mr. Hudak.

Mr. Tim Hudak: Thank you, Chair. I'll be glad to share my time with Mr. Nicholls, if he wants. I just have one question.

Thank you for the presentation and the obvious passion you feel for Kiska and marine mammals. My daughter's first big kid movie, the first one that wasn't a cartoon, was Dolphin Tale 2, and she was very moved by the story about how the dolphin there was in a similar situation—isolated—and they brought in a younger dolphin to give her companionship.

If we're concerned—and we all are, I think—about Kiska's health and well-being, wouldn't it be better to move another currently captive orca that's younger and healthier to be Kiska's companion, as opposed to taking the risk and moving Kiska out of Marineland?

Ms. Carly Ferguson: Well, for two reasons: In 2011, the last orca that Kiska was with—I can't remember his actual name, but we'll call him Ike as a short form. From what I heard from newspaper articles and stuff, Ike and Kiska did not get along because he was much younger

than Kiska, so he ended up being transferred back to SeaWorld.

The other main reason, which Mr. Laidlaw pointed out, is that say Kiska were to die, and then we have another lone orca on our hands here. I don't think that's the solution at all.

Mr. Tim Hudak: It seemed Dr. Cornell was very clear, and I think the government, by Mr. Balkissoon's questions, hopefully will be sympathetic to Mr. Nicholls' amendment, which would be a humane amendment to allow Kiska to have a companion under prescriptions by the minister and to watch out for the situation that you described. I just thought that Animal Justice was very cavalier on saying it's worth taking a chance on whether Kiska would survive the move or not—

Ms. Carly Ferguson: Well, Dr. Lanny—

Mr. Tim Hudak: We all agree that companionship is a first prerogative for Kiska in how many more years Kiska lives. It just seems more sensible to try to find a way to bring a younger orca here than take the risk with Kiska—

The Chair (Mr. Peter Tabuns): Mr. Hudak, you have a minute left.

Mr. Tim Hudak: —because otherwise it strikes me as this is more about being anti-Marineland or—

Ms. Carly Ferguson: Absolutely not.

Mr. Tim Hudak: —a vendetta as opposed to what's in the best interest for Kiska.

Ms. Carly Ferguson: Dr. Lanny Cornell was quoted last year regarding Kiska's health because her health was put in question. He stated, "It's laughable to say that, quite frankly, regarding her health because all I see is a very nice-looking whale." Again he was quoted, "She's not losing weight. She's eating between 100 and 150 pounds a day, and she looks as robust as she has at any time."

Mr. Tim Hudak: So, despite his experience and the length of his resumé, you think Dr. Cornell's out to lunch?

Ms. Carly Ferguson: I'm not saying he's out to lunch at all. But if she's a healthy whale from his standpoint, why can't we—

Mr. Tim Hudak: He was very clear. He said it would be absurd to put Kiska's life at risk if Kiska—

Ms. Carly Ferguson: But why would her life be at risk? That's what I don't understand. If he's stating here that she's healthy and robust, the best she's ever been—

Mr. Tim Hudak: Well, you were in the room when I asked that question directly. So if you believe Dr. Cornell is an expert, you believe that he's got the best interests—

Ms. Carly Ferguson: I'm going to go with Dr. Naomi Rose's—

The Chair (Mr. Peter Tabuns): Mr. Hudak and Ms. Ferguson—I'm afraid you're both out of time. I go to Ms. French from the third party.

Ms. Jennifer K. French: Thank you very much. I would echo Mr. Hudak's point that we certainly appreciate your passion on this.

One of the things that I'll give you an opportunity to expand on is, you had said that in our packets there's a

relocation plan for Kiska. I hadn't seen this or heard about this. Can you maybe expand a bit on what we've got in front of us, please?

Ms. Carly Ferguson: Right. So it's in the package there. There is a relocation plan. You've heard us speak of Lolita, the orca at Miami Seaquarium. She does live with dolphins, though. Kiska is the only one entirely isolated. They would prepare Kiska for transport. She's obviously not trained to do that because she's been at Marineland for a long time. So she would be trained to do that. A crate can be found and built for her. Upon arrival at her chosen facility, Kiska would be integrated with other orcas slowly, one at a time, to determine who is the most compatible.

This is something that goes on all the time in this industry. Orcas are transferred all the time. This is nothing new that the province of Ontario would be doing. This happens all the time. Again, Dr. Naomi Rose says, "The plan is simple—she should be transferred to another facility with orcas where she will be among conspecifics. San Antonio would actually be the best idea, but Orlando is also a possibility. SeaWorld would obviously have to agree, but they took Shouka, who was alone, just like Kiska, at Discovery Kingdom ... I don't see why they wouldn't take Kiska. This is not complicated—this kind of thing happens all the time...."

Ms. Jennifer K. French: Okay. Thank you. I don't think I have any further questions. If you had anything further to add?

Ms. Carly Ferguson: No.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much for your presentation.

MS. LYNDY SMITH

The Chair (Mr. Peter Tabuns): We have another person on teleconference, Lynda Smith. Ms. Smith, you have five minutes to present and then up to three minutes per party for questions. I'll give you notice when you have 60 seconds left. If you'd like to start and introduce yourself for Hansard.

Ms. Lynda Smith: My name is Lynda Smith. I live in the Grey Highlands in Ontario. Should I begin now, sir?

The Chair (Mr. Peter Tabuns): Yes, please.

Ms. Lynda Smith: Thank you, committee. I'm presenting my statement to you. The OSPCA is a private corporation and yet has been given the right by the provincial government to use public funds in the offices of the Attorney General to prosecute people whom the OSPCA has charged. I know of no other private charitable corporation that receives such government funding and support. This puts those rightly or wrongly accused at an incredible disadvantage. This is an absolute abuse of power and a violation of our rights under the Canadian Charter of Rights and Freedoms, among other things.

The OSPCA in this bill is demanding that fines now be increased from \$60,000 to \$250,000.

In the province of Saskatchewan, the SSPCA has now been disbanded and, to my knowledge, are under two

separate investigations by the RCMP for alleged criminal activities. The president of the board of directors, Constance Roussel, announced on March 31, 2015, that the SSPCA would no longer be enforcing the Animal Protection Act. She said, "As a charitable organization, the Saskatchewan SPCA is not the proper body to be enforcing the legislation."

The province of Newfoundland has now brought legislation that the SPCA can no longer do seizures. They can run shelters, but can no longer lay charges, nor do they have any police powers.

1600

The late Dr. Henneke, in his paper on misuse of the body condition score, which I have included—his report and his letter—explains how the misuse of the body condition scoring has been used by rescue groups and the ASPCA and HSUS to seize alleged neglected horses. He says, "Removing any horse from its familiar environment, drastically changing its diet, and exposing it to a new set of handlers will usually result in stress and a further loss of body condition." He recommends they stay at their place.

The OSPCA and their agents have no one to answer to and no government oversight, and their records are unreachable by anyone, even under the Privacy Act. This unavailability of access to information denies an accused the right to a full answer in defense.

"Innocent until proven guilty" is the most abused legal standard today due to biased press coverage. Most trials are conducted before the accused ever has a chance to answer the charges. If they are later proved innocent, the public has already painted them in a negative picture, and this should not happen.

On March 6, 2013, my property was invaded by a group of animal activists.

I requested an investigation of the possible criminal offence activities of the OSPCA, in particular Inspector Jennifer Bluhm, for alleged perjury, witness intimidation, abuse of power, among other things.

I would like to also add that Inspector Jennifer Bluhm ordered me to give two of my horses to the OSPCA vet Dr. Hill and sent many of my horses to Whispering Hearts Horse Rescue, owned by former OSPCA agent Brenda Thompson, also known as Brenda Armstrong.

When my witness testified at my trial, her farm was raided by the OSPCA. This was unconscionable.

The OSPCA has ordered and directed others to send their horses to Whispering Hearts Horse Rescue, even though the rescue was between five and seven hours' distance.

My question is, exactly how many horses have the OSPCA sent to their former agent's rescue, and what are the financial and other arrangements between the OSPCA and Whispering Hearts? These questions need to be investigated before any further powers are given to the OSPCA.

Linda Ross, known as Ellie Ross, who conducted the illegal entry to my property on the 6th of March 2013, is also a former OSPCA agent.

I have no doubt that the minute the OSPCA have the chance—

The Chair (Mr. Peter Tabuns): You have one minute left.

Ms. Lynda Smith: —they will come in to my property and take the rest of my beloved horses. They will take them from the only home they've ever known and send them to their death or some other place they will justify. This will be done in spite of the fact that I'm under vet care and in spite of the fact that I've always cared for my horses for years, and they are happy and all are well.

My horses are over the age of 18. They are my beloved Arabians. Jennifer Bluhm and her ilk will find any excuse to deprive us of our life together. These horses are like my children. I have owned them since before they were born.

The OSPCA can and do walk onto any property without restrictions, tracking potential diseases such as PED and H1N1 from one property to another. They do not follow buyer security protocols. It is about the systematic abrogation of the rights of the people of Ontario, and the overwhelming power now to be granted by the Wynne government to this hateful, cruel and gluttonous corporation.

I respectfully request that you do not approve this bill, and I require as a citizen of Canada and a resident of Ontario that you, as the governing body in power in this province of Ontario, conduct a thorough investigation of the OSPCA and their affiliates.

The Chair (Mr. Peter Tabuns): Ms. Smith, I'm sorry to say that you're out of time.

We'll go the first questioner: Mr. MacLaren.

Mr. Jack MacLaren: Hello, Ms. Smith. It's Jack MacLaren.

Your experience that you just told us about has nothing to do with whales or marine mammals or Marineland, but would it be fair to say that what you're trying to tell us is that the motivation behind some of the people who are here today speaking in support of this bill is suspect?

Ms. Lynda Smith: Yes, sir, and I point out a case particularly. It was in the United States. Feld Entertainment won a suit against the ASPCA, the Humane Society of the United States and their animal activist supporters, who were ordered by the court to pay approximately \$25 million to Feld Entertainment Inc. It's my understanding that a request for an investigation of the ASPCA and the Humane Society of the United States under the RICO act has now been brought to the United States Senate. It was confirmed that the ASPCA and the Humane Society of the United States were working in conjunction with animal activists to get funding, pay witnesses and corrupt the courts.

Mr. Jack MacLaren: Would you say, from your experience, that animal rights activists have been successful in influencing, if not infiltrating, the OSPCA and some of the organizations that are speaking to us today in support of Bill 80, for motives other than strictly the welfare of Kiska the whale?

Ms. Lynda Smith: Absolutely. I will note that in Australia there is a party called the Animal Justice Party. They have now begun a political party and a political movement in Australia.

These people have an agenda. It's not the animals they're looking after; it's their own particular slant on animal ownership—

The Chair (Mr. Peter Tabuns): One minute left.

Ms. Lynda Smith: —and they don't believe in it. They have their own agenda and they will do whatever they need to, even if it's getting rid of the OSPCA if they have to. It's about funding, and it's about what they want, and not about the welfare of the animals.

Mr. Jack MacLaren: In your experience, have you encountered so-called experts who were not qualified to offer an opinion on animal welfare and, in fact, had other motivations?

Ms. Lynda Smith: Yes, sir. In my trial, in particular, we have people who have quoted the body condition scoring as a reason to seize animals. Dr. Henneke himself states that this is improper use. I will note that the equine standards of care that was just published is based on an erroneous interpretation of Dr. Henneke's body condition scoring.

The Chair (Mr. Peter Tabuns): Ms. Smith, I'm afraid you're out of time with this questioner.

Third party: Ms. French.

Ms. Jennifer K. French: Thank you, Ms. Smith, for calling in. We appreciate your voice on this and certainly appreciate that you have a very personal background to share with us.

To your point about the welfare of the animals, what do you think it should look like? What should the government take from this in terms of how to best provide for the welfare of animals?

Ms. Lynda Smith: I think that the government of Ontario, for one thing, can follow the lead of Saskatchewan and Newfoundland, where they have removed the police powers. This is a terrible way to conduct any kind of organization. A private organization that is supposed to be a charity should not have police powers.

The OSPCA was well aware of the fact that I was under vet care. They had come to my property on the 13th of February. It was not suitable to the animal activists that they weren't progressing because I was under vet care, so the animal activists invaded my property, with CTV cameras. They have their own agenda. There was nothing about the welfare of horses. I was under vet care—there was a metabolic issue with my animals—but the animal activists broke in with a CTV camera crew, into my property, and I now have them under investigation. I also have litigation against them.

Ms. Jennifer K. French: As I said earlier, I think we all appreciate your personal story and giving that voice. Certainly, your submission is very thorough and full of new information, and I appreciate that. I don't have any further questions, if there's anything else you wanted to expand on.

The Chair (Mr. Peter Tabuns): You have one minute left.

Ms. Lynda Smith: The only thing I can say, ma'am, is that the government needs to get this under control. This is a private corporation that lives off government funding, in part, and has millions of dollars in donations. From what I've read, approximately 1% actually goes to the animals in shelters. This needs to get under control. This trampling of our charter rights and the way they conduct themselves with the animals, taking them out of their long-term, loved homes, is unconscionable. It shouldn't be happening, especially in Canada.

The Chair (Mr. Peter Tabuns): To the government: Mr. Balkissoon.

Mr. Bas Balkissoon: I just want to thank Ms. Smith for joining us today and giving her opinion on the bill in front of us, but at this time I have no questions.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Smith. We're going to go on to our next presenter.

Ms. Lynda Smith: Thank you very much. I thank the committee.

DR. MICHAEL NOONAN

The Chair (Mr. Peter Tabuns): Our next presenter: Michael Noonan, Canisius College. Sir, as you've seen, you have up to five minutes to present. There will be questions by the parties. I will give you notice when you're running out of time. If you would introduce yourself for Hansard.

1610

Dr. Michael Noonan: I'm Michael Noonan. I'm professor of animal behaviour at Canisius College in Buffalo, New York. As an academic biologist, I have been conducting research at the Marineland facility since 1998. I do so as an independent academic and only as a guest at Marineland. I'm not employed there.

I'm here to talk specifically only on the topic of the welfare and status of the beluga whales that are held at Marineland, in particular as it pertains to the possible imposition of the UK standards regarding space.

My input centres on two general themes. First, the welfare of the belugas specifically under their present circumstances in the present pools: I have four things to say about that. I have data that indicates that their behavioural indices of stress are very low. Second, their high reproductive rates suggest good welfare and psychological well-being. Third, the belugas are able to express much of their natural behaviour repertoire in their present circumstances. Fourth, the high incidence of their playful behaviour suggests positive affect is predominant.

The second point that I can speak to is a lack of evidence regarding the effects of additional space. If the UK standards were to be adopted—it's my opinion that there's a lack of evidence to support that.

I don't question the general notion that adequate space is an important consideration. It's nevertheless important that the imposition of any standards should be evidence-based. In this regard, I know of no studies that address

the relationship between pool size and beluga welfare in captivity. I also offer the following considerations.

First, as a general rule, larger space does not always equate to improved animal welfare in captive animal management. Second, within this aquarium industry, the existing Marineland pools are already at the upper end in terms of space allotted to the animals. Third, in terms of animal welfare, it's questionable to emphasize the importance of space over other considerations such as environmental complexity, social composition and enrichment programs.

I thereby yield back the remainder of my time.

The Chair (Mr. Peter Tabuns): Thank you very much. We'll start with the third party, Ms. French.

Ms. Jennifer K. French: Thank you very much. We appreciate your joining us here at Queen's Park to weigh in on this. You had mentioned that you can comment on the state of the belugas at Marineland.

Dr. Michael Noonan: Yes.

Ms. Jennifer K. French: Okay. I would like to ask you about the additional space. We have heard it suggested that there be a companion, possibly, brought into the Marineland environment, into the space, to share space with Kiska. One thing that I haven't heard is whether there would even be room for such a companion. So while it's outside of the beluga conversation, you've been there, and you've seen the size of the tanks. Is that even an option—for space? I don't know.

Dr. Michael Noonan: Well, that's a matter of opinion. Actually, I'm here with evidence specifically to the space and the welfare of the belugas at Marineland.

Ms. Jennifer K. French: Okay.

Dr. Michael Noonan: But in the past, Marineland has housed many killer whales. One could argue that there is sufficient space for more killer whales at Marineland.

Ms. Jennifer K. French: Okay. Thank you. Back to the belugas then, you said that the behavioural indices of stress are low. What are some of those indices? I don't know much about belugas.

Dr. Michael Noonan: In zoo animal welfare, in zoo animal management, one looks for stereotypy, whether or not animals engage in repetitive behaviours over and over again. That's an index of stress. The belugas at Marineland do not do that. Another index of stress is inappropriate behaviours comparable to human—

The Chair (Mr. Peter Tabuns): One minute left.

Dr. Michael Noonan: —like human thumb-sucking, things like that. The belugas do not have behaviours like that.

That's a minimal standard, isn't it? The absence of stress is the absence of a negative. I hope that welfare goes beyond that and talks about positives.

Ms. Jennifer K. French: And I appreciate being a member of this committee, because we're here to learn. I'm learning a lot today about belugas and orcas.

One of the things that I did hear—and again, I respect that you've said you're here in a capacity to comment on the belugas, but we did hear a comment, as you said, that

Kiska is doing circles or demonstrating repetitive behaviours. Could you comment on that?

Dr. Michael Noonan: No, I'm sorry. I haven't been taking data on Kiska. I don't have data pertaining to Kiska's behaviour—

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time with this questioner. We'll go to the government: Mr. Balkissoon.

Mr. Bas Balkissoon: Thank you very much for being here. I heard you comment that you're not here to speak a lot about Kiska, but in terms of what the government is doing with Bill 80 and the regulations that will follow, do you support the development and implementation of standards of care for marine mammals in Ontario, which currently don't exist?

Dr. Michael Noonan: Certainly. I have read and have looked at the CCAC standards, and they're reasonable and admirable. Certainly every municipality, including every province, should have high standards of care, for sure.

Mr. Bas Balkissoon: In all the years that you've been doing your academic work at Marineland, is there anything else that you suggest the government should be doing in terms of the mammals at Marineland?

Dr. Michael Noonan: Well, I don't have an informed opinion about Bill 80 specifically. It's always been difficult for me to know how to single out a single species when it comes to legislation pertaining to captivity. That this bill specifies one particular species puzzles me, but beyond that, no, I don't have any additional advice.

Mr. Bas Balkissoon: Okay. Thank you very much. Thank you, Mr. Chair.

The Chair (Mr. Peter Tabuns): Thank you. We go to Mr. Hudak.

Mr. Tim Hudak: Dr. Noonan, thank you very much for taking the time to join us. I'm going to split my time with Mr. Nicholls.

You present your views on the belugas as being—you seem confident in the level of their care at Marineland. I think what I want to say is that it's based on science. I'm worried that some of the evidence we heard earlier was based more on political activism and personal vendettas than science. Your presentation is refreshing.

I won't get a chance today, but I think that during clause-by-clause—Dr. Rosen, one of your colleagues from the University of British Columbia, has a written submission. Dr. Rosen, of course, did the original report on Marineland, where he gives us a very cautionary tale about prescribing pool size standards. The second part of your presentation is about the UK model, also a very cautionary measure.

How would you recommend that the government approach standards of care when it comes to pool sizes?

Dr. Michael Noonan: It would be great in all captive animal management, but specifically for belugas or killer whales or any other animals, to have evidence-based

standards. Before we would be able to produce those, we would have to do the studies that would relate any two variables to one another.

Imagine a pool size just being chosen. There are variable pool sizes that hold belugas, for example. One could initiate a study that looked at indices of welfare across those pools. In the absence of those, an imposition of a standard would be, in my opinion, arbitrary.

Mr. Tim Hudak: You'd be concerned if we arbitrarily, in knee-jerk fashion, just picked the UK standards from the 1980s.

Dr. Michael Noonan: It would be arbitrary and, I believe, unfair. It would be in the absence of evidence.

The Chair (Mr. Peter Tabuns): You have a minute left. Mr. Nicholls.

Mr. Rick Nicholls: Thank you. I appreciate the response to my colleague Mr. Hudak because my question, again, was tied into those UK standards. Obviously, if I understand you correctly, you're suggesting that you wouldn't support those UK standards. Is that correct?

Dr. Michael Noonan: I wouldn't support their imposition without evidence.

Mr. Rick Nicholls: Without evidence. So what would you—

Dr. Michael Noonan: And ordinarily, just choosing space as a variable to emphasize is inappropriate. Social composition, I would think, would be more appropriate. Enrichment programs would be more appropriate. I'm not denying that space is an appropriate consideration; it just isn't the first one that would come to my mind.

Mr. Rick Nicholls: So when you talk about being evidence-based—and I fully respect that—is there anything further, then, in those UK standards, where you would say, "Listen, we need to know more specifically about A, B and C"? Would you have any thoughts as to what that might be?

Dr. Michael Noonan: Sure. One could initiate a study that related pool size to the welfare indices. There are a number of them that could be studied.

The Chair (Mr. Peter Tabuns): Mr. Noonan, I'm sorry to say that we've run out of time.

Dr. Michael Noonan: Thank you very much.

The Chair (Mr. Peter Tabuns): Thank you very much for your presentation.

Members of the committee, I'd like to ask if you would like the research officer to prepare a summary of presentations on Bill 80. If so, I propose that we have it by Wednesday, May 13, at 12 noon. Are members in agreement? I see no disagreement. Okay.

A reminder then to you, as committee members: Pursuant to the order of the House, the deadline to file amendments to the bill with the committee Clerk is at 2 p.m. on Thursday, May 14, 2015.

The committee stands adjourned until 2 p.m. on Monday, May 25, 2015.

The committee adjourned at 1620.

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Legislative Assembly of Ontario

First Session, 41st Parliament

Official Report of Debates (Hansard)

Monday 25 May 2015

Standing Committee on Social Policy

Ontario Society
for the Prevention
of Cruelty to Animals
Amendment Act, 2015

Assemblée législative de l'Ontario

Première session, 41^e législature

Journal des débats (Hansard)

Lundi 25 mai 2015

Comité permanent de la politique sociale

Loi de 2015 modifiant
la Loi sur la Société
de protection des animaux
de l'Ontario



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 25 May 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 25 mai 2015

The committee met at 1402 in room 151.

ONTARIO SOCIETY
FOR THE PREVENTION
OF CRUELTY TO ANIMALS
AMENDMENT ACT, 2015
LOI DE 2015 MODIFIANT
LA LOI SUR LA SOCIÉTÉ
DE PROTECTION DES ANIMAUX
DE L'ONTARIO

Consideration of the following bill:

Bill 80, An Act to amend the Ontario Society for the Prevention of Cruelty to Animals Act and the Animals for Research Act with respect to the possession and breeding of orcas and administrative requirements for animal care / Projet de loi 80, Loi modifiant la Loi sur la Société de protection des animaux de l'Ontario et la Loi sur les animaux destinés à la recherche en ce qui concerne la possession et l'élevage d'épaulards ainsi que les exigences administratives relatives aux soins dispensés aux animaux.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. We're here for clause-by-clause consideration of Bill 80, An Act to amend the Ontario Society for the Prevention of Cruelty to Animals Act and the Animals for Research Act with respect to the possession and breeding of orcas and administrative requirements for animal care.

Please note that, pursuant to the order of the House dated April 22, 2015, at 4 p.m. today, those amendments which have not yet been moved shall be deemed to have been moved and I, as Chair of the committee, shall interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendments thereto.

Any division or recorded vote required shall be deferred until all remaining questions have been put and taken in succession, with one 20-minute waiting period allowed, pursuant to standing order 129(a).

There is a section at this point that doesn't have any amendments, sections 5 to 12, and I am going to propose that consecutive sections with no amendments be grouped together, unless any members would like a separate vote on those sections.

Mr. Tim Hudak: Chair?**The Chair (Mr. Peter Tabuns):** Mr. Hudak.

Mr. Tim Hudak: I just wanted to make some opening comments. I'm happy to respond, and I know my colleagues will as well, on your proposal.

The Chair (Mr. Peter Tabuns): Then, I will say, just before you do that, are there any comments or questions before we proceed? Mr. Hudak, you have the floor.

Mr. Tim Hudak: Thank you, Chair. I just wanted to lay out for members and those following the debate on Bill 80 our perspective on how best to approach this bill based on what we heard from the public and what we heard during committee. My colleague Mr. Nicholls, the member for Chatham-Kent-Essex, has a particular perspective he wants to share at the beginning that will, I think, inform the members why we brought forward the amendments to the bill that we have. Mr. Nicholls is going to talk particularly about the economic impact if this bill goes the wrong way and talk as well about proper standards, specifically around—what we heard a lot at committee—the UK model versus other, more modern ways of making decisions on the regulatory process.

I think we've been very clear, from Mr. Nicholls's opening comments in debate to our time here at committee, that the Ontario PC Party is taking the approach that we need to make sure that we have world-class standards when it comes to animal welfare. The approach I recommend for the committee and in our votes today is to be thoughtful, to be science-based, and to listen to the scientific evidence that we heard here at committee.

We really are concerned that in some of the approach the government took initially—and they've backed away from it, I think, during committee—it seemed to be a bit more about maybe distracting from other issues, or scoring short-term political points, as opposed to what it should be about, and that is having the highest standards for animal welfare and ensuring that what is a major business and employer in the area can continue to attract a million people a year to Niagara Falls and keep about 700 people employed directly, and, indirectly, a lot more.

I have a concern, and I know it's shared by many of my colleagues here at committee, that the other side of the argument, which is not only to pass the bill as is but to expand the prohibition on orcas to include Kiska and, as we heard from some of the deputations, to expand the number of species that would be banned in Ontario broadly across cetaceans and pinnipeds—have I got that

right?—basically seals, sea lions and walruses, is advice that should not be implemented in this bill, and let me tell you why.

I have no doubt that the arguments that the activist groups make are sincere. They're well-meaning. There's no doubt that they care very deeply about the animals. But while it's well-meaning and sincere, it strikes me that it's more about animal-rights politics than animal welfare.

I guess I would say that a fair point is, if you're making a ban on orcas, what's the difference between an orca and a beluga whale or a dolphin or seals or sea lions? That's certainly where the more activist routes go. They were dissatisfied with the bill, because they don't think it goes far enough. But as legislators, I think we have to be cool-headed and thoughtful about this. We need to make decisions that are in the best interests of the animals, based on the best scientific evidence, not emotion.

People can always choose, based on their ideology. If you don't believe that animals of any kind should be in captivity, then you can simply choose not to go to Marineland or the Metro zoo or the High Park Zoo, and people make that choice. It's not a position that I particularly agree with, Chair, for my own family or my own recreation time, but I respect people's view on that, and they choose not to go.

There are, however, families like mine, and a million people a year, who choose to take their kids to Marineland, who enjoy the value of seeing these magnificent animals up close, to enjoy their majesty. I think that imbues, in a lot of young people, a respect for the wildlife and understanding and a greater compassion for them than if you simply saw a YouTube video or a movie from time to time.

I think there's considerable educational value as well in some of the programs that Marineland runs, particularly for kids with disabilities, to actually get to know the animals up close and learn about them and what makes them what they are, and the importance of conservation efforts, because they can see, feel and touch.

So I want to recommend to committee members that we base these decisions on the best available science and not go down a trail of emotion or of eliminating the choice that families can make to attend parks like Marineland.

The seven amendments we bring forward all are at that basis: to make sure that we have the best science, that we have world-class standards—and world-class standards that are set, investigated and enforced by experts in the field, people who actually understand marine mammal biology in parks, not somebody who does this at a part-time job or as part of a larger job.

The other part I want to say is—and I'll hand over to Mr. Nicholls shortly—if we take the other route—so I hope our amendments are taken. If not all seven, we'll take four out of seven. If you hit 0.333, you get into the hall of fame in baseball. We do hope we get some passed. But if we take that other approach, the more narrow,

ideological approach, and say that we should end having any kinds of animals in captivity in the province, either immediately or piece by piece, as I'm concerned the government may want to do, what would be the consequence of that?

1410

First you take away those million visits of families for entertainment and educational value to enjoy a day at Marineland in Niagara Falls. You will lose a significant number of jobs in the area. You will lose the opportunity and—we heard directly from scientists—the ability to study the animals and make sure that we continue to improve animal welfare standards and understand how they make their decisions, and we will lose what I think is the biggest advertiser in the entire Niagara region to bring more tourists to the area. So we cannot lose sight of the significant and devastating economic impact if the committee sets unachievable changes in the legislation that would shut the park down either in the short term or the long term.

Let's instead improve the legislation and make sure that we have a science-based and evidence-based approach on the regulations and on the bill itself. Let's avoid the narrow ideological view that, I think, when we heard from some of the groups, was based more on a vendetta or personalities than on the right decision based on the science we heard.

I think Mr. Nicholls has more to say, Chair, about the economic value of Marineland and some of the international standards in comparison.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Mr. Nicholls.

Are there any other speakers who want to be on the list? Mr. Balkissoon, okay. Thank you.

Mr. Rick Nicholls: Thank you, Chair, and thank you, Mr. Hudak. As I begin my remarks, I want to take you back in time—take you all the way back to 1986. Some of us in this room can remember that far back. When IBM released its first laptop, it weighed an astounding 12 pounds and it was nowhere near as powerful as the smartphones that fit into our pockets today. The Nintendo entertainment system was released in North America. Cellphones had to be, believe it or not, carried around in bags that weighed approximately 12 pounds as well—1986. Back then, that was modern technology. That, ironically, was when the UK standards of care that the government is using as a foundation for the new marine mammal care regulations were developed. They're as old as Betamax—not the government; the regulations—and about as widely used as well.

Today, we're no longer lugging around those massive laptops or cellphones. One would be foolish to hold onto technology or thinking of the past. That's why Mr. Hudak and I are, again, basing our decisions on what we would call the best scientific facts, and not purely on emotion, as may be implied.

So then why is the government in fact insistent on relying on standards and practices of marine mammal care that are obsolete? Through these committee hearings, we have had the opportunity to hear from a variety

of experts in animal care. Marine mammal experts are concerned that the government's self-imposed deadline has forced it to rely on an outdated set of standards developed in the UK in 1986. The UK standards are simply outdated. Just as technology has advanced so much since 1986, so too has research on marine mammals and standards of care.

Bruce Dougan, who was in fact the head of New Brunswick's task force looking into exotic animal regulation, stated in committee that the government is unnecessarily rushing the advisory process compared to New Brunswick, which took the better part of a year to do its research and in fact hold consultations. Mr. Dougan said that "we have hoped to see the government opt for a rigorous review of options to enhance the level of care and well-being of marine mammals rather than a mad dash to an imaginary finish line."

Dr. Rosen, whose report was supposed to be the basis of this legislation and future regulations, called for the new Canadian Council on Animal Care, also known as CCAC, standards to be adopted instead of the decades-old UK standards.

Dr. Martin Haulena is the chief or head veterinarian at the Vancouver Aquarium, adjunct professor of clinical sciences at North Carolina State University and adjunct professor at the University of British Columbia's fisheries science centre. In his expert opinion, it is illogical to expect to be able to implement standards developed in the 1980s for bottlenose dolphins to other marine mammals and that this would be detrimental to the quality of care received by these animals.

Dr. Haulena stated in committee that "developing a standard for a bottlenose dolphin that now has to be, just with the mathematical model, expanded to a beluga whale or to a porpoise or to any other species is just impractical, unreasonable, unscientific and, from all we know, impossible."

The UK standards have not been adopted anywhere in the world because they are outdated and impossible to implement, so if the government adopts these obsolete standards they will cause, in fact, substantial loss of economic activity, more specifically in the Niagara region. The outcome would mean the closure of Marineland as well as other aquatic facilities. If that is the government's end goal, they should be up front about this and let the region know what the economic impact of these decisions will, in fact, be.

Mr. Wayne Thomson, a councillor representing Niagara Falls Tourism, stated that Marineland provides 700 jobs directly, but, more importantly, there are 36,000 more related jobs in the Niagara Falls region itself. It generates millions of dollars in economic activity each year and provides \$4.5 million each year in regional advertising. That's Marineland by itself. Closing the facility would come at a tremendous cost to the people of Niagara Falls.

In conclusion, I think that each of us agrees that more must be done to protect marine mammals in captivity. What we don't want to see is the government just rushing the process, endangering the well-being of animals and

being forced to rely on outdated standards that have never been adopted and would cause unnecessary hardship on an already fragile region.

We ask the government to take the time to get it right and base their decisions on the most up-to-date, scientifically-based research, instead of old ideology. Let's work at improving this legislation. We hope that the government will, in fact, adopt our amendments to strengthen this legislation. Thank you, Chair.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. Mr. Balkissoon.

Mr. Bas Balkissoon: Thank you, Mr. Chair. Just to make a few comments in reply to my two colleagues on the opposite side, I find that the comments that they're making are probably valid, but I think it's all speculative. I'm having trouble following them because I just kind of flipped through the act again and again as they were both speaking.

To the comment that the government intends to affect a business in the Niagara region, I don't think that's the government's intent. I don't see it anywhere in the legislation. In fact, the comment about banning mammals altogether is nowhere in the legislation. In fact, if you look, the legislation clearly has a transition clause in it to recognize that Marineland has an orca today. It has been there before March 22 and it will remain there. What the government intends to do, which is speculative on my colleague's part, is set the standard of care for these animals if they're in captivity. They both make reference to how it should be based on science, and I believe that the government has done that by consulting the appropriate people along the way.

We also heard in the committee from experts who were on a conference call with us. I noted their comments, and they're nowhere close to what my colleagues mentioned.

Mr. Nicholls makes reference to a UK set of standards. I don't find those anywhere in the legislation. If he's speculating that that's what will come in regulation, I would say it's sheer speculation.

I hope we can move this forward and that the minister will deal with the regulations that he has to deal with. The parties involved will find, at the end, that we have found that reasonable balance between mammal care, animal care and the economic viability of the business that exists in Niagara Falls. I don't think anybody has an intent, as has been speculated on the other side. I just want to make sure I get those comments on record.

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The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Mr. Hudak?

Mr. Tim Hudak: I appreciate the parliamentary assistant's response to our framework on how we want to approach the committee hearing today, so certainly some words I'm happy to hear. But maybe I can just press a bit more on that. We are worried about the UK standards, as we indicated. We did hear at committee that they were, as Mr. Nicholls pointed out, from 1986, quite some time ago. I think then I was worried about my prom date and

whether I'd get one or not. It worked out okay; I can see your concern. It was a nice night.

What I want to hear from the parliamentary assistant, though, is—help us end the speculation—do I understand the government is not considering the UK standards when it comes to the regulations in this bill?

Mr. Bas Balkissoon: Those regulations are not developed yet, Mr. Chair. I think to speculate where the government is going is premature.

Mr. Tim Hudak: Okay, but you can just try to—

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: Thanks, Chair. Just to be very simple and straightforward about this, you'd end the speculation if you told us that the UK standards were off the table.

Mr. Bas Balkissoon: But if you read the bill, I don't think you could speculate that.

Mr. Tim Hudak: Okay—

The Chair (Mr. Peter Tabuns): Gentlemen, address me, and then we'll end the conversation. Mr. Hudak, you may speak.

Mr. Tim Hudak: Through you, Chair, it would be tremendously helpful—and the parliamentary assistant is concerned about speculation. We've heard, really, two things: strong support for the CCAC standards, which were brought together by experts from across North America; they are a complete package as opposed to a smorgasbord of pick and choose from different standards to appease particular interest groups. It would just be very reassuring for us in the PC Party and maybe help us take some amendments off the table if we heard clearly that you're going to base regulations on the CCAC standards and you're rejecting the UK standards.

The Chair (Mr. Peter Tabuns): Are there any other comments? Mr. Balkissoon.

Mr. Bas Balkissoon: All I can say to my colleague is that as the minister goes through the regulations, he'll take everything into consideration. That would be the full spectrum of what's available to him. I won't speculate as to one particular standard over another. He would look at best practices, and we intend to look at what is best for the mammals in captivity.

The Chair (Mr. Peter Tabuns): Mr. Hudak, you have an interest in speaking. May I suggest to you, members of the committee, that it may be useful for you to get into the detail as you go through the bill and talk about amendments. Mr. Hudak?

Mr. Tim Hudak: For sure. I'm just, in the interest of the committee's time, trying to find a way to economize on the debate. If we heard from the government that they rejected the UK standards around tank size, we could take a few amendments off the table. As Mr. Nicholls outlined, if you implement the UK standards around tank size, it basically shuts the park down. I'm hearing from the parliamentary assistant that they have no intention of shutting the park down. It would just, I think, send a signal for confidence in the Niagara Falls community and the broader public if you told us that the minister is not considering the UK standards when it comes to pool size.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Madame Lalonde is on my list.

Mrs. Marie-France Lalonde: Thank you, Mr. Chair. I really appreciate the discussion, and I value Mr. Hudak's point of view. We do have time to move forward and move into the purpose of today, which is clause-by-clause and having a discussion maybe on some of those motions, and then you can bring back those points.

The Chair (Mr. Peter Tabuns): Thank you, Madame Lalonde. Any other comments? Mr. Hudak?

Mr. Tim Hudak: I appreciate Madame Lalonde's advice on our approach at committee. It's just that this is not trivial; right? It seems to me a significant amount of work was done in constructing the CCAC standards. The UK standards come from 1986. They have been implemented in zero countries around the world and resulted in the closure of facilities in the UK.

My advice to the government members: If they are clear that they are rejecting the UK standards, that will help us proceed and just restore a bit of confidence in Niagara Falls—in Niagara and the community. They're reluctant to do that, so that tells me that the UK standards are still on the table. I think it would be helpful if you took them off.

I want to read Dr. Rosen's comments into the record if I could, Chair. I know he sent a written submission to the committee. Dr. Rosen, of course, is extremely busy and lives out in British Columbia, so he sent in a written presentation to the committee. It was just too bad it didn't work out for him to testify in person, but I understand the demands on his schedule given his expertise as a worldwide leader when it comes to marine mammal care. I'm going to ask for the indulgence of the Chair. I just want to read in Dr. Rosen's comments into the record so it's permanently in Hansard. I want to remind committee members—I think they know—that Dr. Rosen was actually chosen by the government to bring back recommendations when it came to the appropriate standards to make sure we have world-class standards when it comes to care for marine mammals. The government and the minister at the time commended Dr. Rosen for his report.

Many aspects of Dr. Rosen's report, to the credit of the government, were adopted. There was a major area that you didn't adopt, and that gets to tank size standards and the UK model. I just believe that if the government placed faith in Dr. Rosen to be a leader for them in making recommendations, it stands to reason that they would follow through on his recommendations when it comes to avoiding the UK standard when it comes to tank size and the impact on the local economy.

This is dated May 7, 2015:

"Dear Minister Naqvi:

"I am writing to you and the Legislative committee to clarify some information contained in the report Developing Standards of Care for Marine Mammals in Captivity and Recommendations Regarding How Best to Ensure the Most Humane Treatment of Captive Cetaceans. I feel this information is important in your consideration of Bill 80.

"The objective of the government of Ontario is to develop and implement a set of criteria that will ensure the mental and physical health of marine mammals in human care. The report I co-authored made a host of recommendations, many of which were based upon those developed (but not released publicly at the time) by the Canadian Council on Animal Care. These criteria were developed after extensive consultation with experts and stakeholders. For that reason, the report recommended the adoption of the CCAC guidelines (with minimal modification) as a specific standard of care for marine mammals under the OSPCA Act.

"Another key finding of the report was recommendation ii(f): Consideration must be given to the three-dimensional environment in which marine mammals live and the need to provide sufficient space for species-appropriate activities both in and out of the water. Therefore, it is recommended that each facility adopt a set of minimum space requirements that are based upon established, internationally recognized codes.

"Unfortunately, the issue of pool size and geometry is one topic not specifically addressed by the CCAC guidelines. Our report recommended that a set of standards be put in place, based on the observation that neither Canada nor Ontario currently have regulations or sets of standards defining explicit pool sizes and dry haul-out space for marine mammals. This set of standards could be either adopted by individual institutions or imposed by suitable government bodies. The report then went on to list five nations that have produced such sets of standards (United States, United Kingdom, Brazil, the Bahamas, and Argentina), as well as noting that the European Association of Aquatic Mammals has produced a set of guidelines specific to bottlenose dolphins. In addition, there are other organizations, such as the Alliance of Marine Mammal Parks and Aquariums, who also have guidelines for their members.

"The purpose of listing these different sets of standards is to provide information and examples to the government on standards of care. It does not represent a complete list of options, nor does it intend to provide any sort of judgement on the comparative value of any of these standards. Each of these sets of standards is different. For example, to my knowledge, only the US Dept. of Agriculture and the alliance regulations contain standards of care for all marine mammals, and not just cetaceans, while the proposed UK regulations have never actually been implemented in any facility."

I just want to step aside from the remarks here to underline that. It says, again, that "the proposed UK regulations have never actually been implemented in any facility." That's the government's hand-picked expert on this matter.

"We did not provide the government a specific recommendation for two reasons. First, such a specific recommendation was outside of the scope of the report. Second, insufficient scientific information exists on which to base any quantitative evaluation. As noted in the report [pg. 16], 'Each of these represents an attempt

at best practices, and there is no substantial scientific basis for adoption of one set of criteria over another.'

"This point is also acknowledged by Drs. Klinowska and Brown in their 1986 report, A Review of Dolphinaria, prepared for the UK Dept. of the Environment as part of the preparations for UK standards of care. They note:

"(1) The various national and international standards for the housing and care of cetaceans are more or less agreed on all points except minimum pool dimensions and subsidiary pool provisions.

"(2) There is no research evidence whatsoever on the question of pool size or other pool requirements. Nor is there any research available on the social distances of the species, on their requirements for surface area and depth, or on the effects of training on exercise space needs.

"(3) Until such information is available, no true picture of the accommodation required can be obtained.

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"Unfortunately, in the 30 years since the report by Klinowska and Brown, insufficient research has been undertaken to make such decisions on a scientific basis. This does not mean, however, that such an approach is not possible. It is my opinion that what is required is a set of standards of care based upon verifiable best practices, informed by quantitative data produced and analyzed in a scientific manner. Fortunately, such a 'natural experiment' already exists within the variety of facilities and marine mammal species currently held in aquariums within North America. This would provide the basis of a study of existing pool sizes and physical parameters measured against impartial criteria of animal health and well-being. Such an objective approach, initiated and supported by the government of Ontario, would place the province in the forefront of animal welfare practices and serve as a model for other jurisdictions."

Dr. Rosen concludes by saying, "I am glad that the government of Ontario is seeking to ensure the well-being of marine mammals held for public display in the province. I encourage it to continue to seek advice from the scientific and animal health community and stakeholders with experience in marine mammal management.

"With respect,

"Dr. David Rosen

"Marine Mammal Research Unit

"University of British Columbia."

I thank the members for their patience. I thought it was very important to get the government's own expert, since he couldn't appear at committee, permanently on the record beyond a written submission.

Just my last question on this: If your own expert, Dr. Rosen, recommends not adopting the UK standards, why doesn't the government just rule it out now?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Madame Lalonde.

Mrs. Marie-France Lalonde: Again, I really appreciate the discussion we're having, but I would like to reiterate that this committee is here to discuss the clause-by-clause. It is my understanding there may be a motion

that the member has brought forward, and we certainly can debate it at that point.

Mr. Chair, I would ask for your indulgence in bringing this meeting on the clause-by-clause aspect, please.

The Chair (Mr. Peter Tabuns): Mr. Balkissoon.

Mr. Bas Balkissoon: With due respect to my colleague on the other side—he's been here a lot longer than I have and he understands process. I think what he's trying to do is get out of the government what the regulation is today, before we have an act. The best I can give him is that the minister has requested that study, the minister has the study, and during the regulation-writing process—it's currently under development; it's not written yet—we will take best practices into consideration and we will look at the whole industry.

I don't know why you have this fear that the minister is going to proceed with the UK standards, which you believe will shut the business down. We're telling you: That's not our intent. I don't know what else I can tell you.

Mr. Tim Hudak: I'm feeling better about this now.

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: Sorry. Thank you, Chair. Madame Lalonde doesn't play a particular—do you play a role within the ministry, too, on this bill, or are you just part of the committee?

Mrs. Marie-France Lalonde: No. I'm part of this committee.

Mr. Tim Hudak: I just want to make sure I heard what the parliamentary assistant said. You said it's not your intention; your intention is not to use the UK standard.

Mr. Bas Balkissoon: I did not say that. I said he would use all the best practices, and whatever reports he went out there and got, that's what he will take into consideration when he creates the regulations.

Mr. Tim Hudak: I'll conclude this, and my colleague may have some further comments. You've already set out the process for a regulatory review. You've got your TAC committee, so the work has been happening. The time frame is pretty tight for the complexity of this issue and the number of animals that are involved.

I just think that you would create more goodwill at the committee and you would ease concern in my region of the province if you said that you would set aside the UK standards on tank size. It seems to me that if your own expert said it wasn't relevant—I just don't get why you don't agree with him.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Any other comments?

We can move to the bill. We go to section 1. We have no amendments. Shall section 1 carry? Carried.

Mr. Tim Hudak: Recorded vote, Chair.

The Chair (Mr. Peter Tabuns): You asked after. For the next one, you mean?

Mr. Tim Hudak: Yes.

The Chair (Mr. Peter Tabuns): Fine. We go to section 2. The first amendment is by the PCs. Mr. Nicholls.

Mr. Rick Nicholls: I move that subsection 11.1(1) of the Ontario Society for the Prevention of Cruelty to

Animals Act, as re-enacted by section 2 of the bill, be struck out and the following submitted:

"Standards of care and administrative requirements for animals

"(1) Every person who owns or has custody or care of an animal shall comply with the prescribed standards of care, and, on or after January 1, 2020, the prescribed administrative requirements, with respect to every animal that the person owns or has custody or care of."

The Chair (Mr. Peter Tabuns): Mr. Nicholls, before you proceed any further, you read the word "submitted" instead of the word "substituted."

Mr. Rick Nicholls: Oh, forgive me.

The Chair (Mr. Peter Tabuns): Could you just state—

Mr. Rick Nicholls: Would you like me just to reread that?

The Chair (Mr. Peter Tabuns): Just tell us that the word you want is "substituted."

Mr. Rick Nicholls: I'd like to substitute the word "substituted" as opposed to the word that I said earlier.

The Chair (Mr. Peter Tabuns): "Submitted."

Mr. Rick Nicholls: "Submitted"—thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. There being no further discussion, are we ready to go to the vote?

Mr. Rick Nicholls: No, I do have—

The Chair (Mr. Peter Tabuns): You would like to speak? Mr. Nicholls.

Mr. Rick Nicholls: We feel, Chair, that this is a very reasonable amendment because of the fact that it will delay the prescribed administrative requirements for just five years. That will allow further study. We want to make sure that we get this flawed bill right. That's one of the reasons why we're asking for it to be the year 2020—five years long.

In addition, it's time that we listened to renowned experts such as Dr. Michael Noonan and Mr. Bruce Dougan, who was the chair of New Brunswick's exotic animal task force. These are the experts.

We need to take time to study and to incorporate modern sciences and multiple international best practices. My colleague had talked earlier about how the minister is going to look at best practices. We're suggesting that we want to give him the appropriate amount of time in order to review those best practices and standards and not simply the UK standards, which we are stating may in fact be the case.

Lastly, the only other thing I'd like to add, Chair, is that according to Mr. Dougan, who chaired the New Brunswick task force, said—and this is paraphrased from the committee Hansard on page 4—that they met weekly for a full day for nine months, on average; whereas, and this is again paraphrased from Hansard page 5, some of the TAG meetings were, in fact, cancelled.

Again, Mr. Chair, we're looking at this particular amendment. We don't want to rush into it. I'm sure that the government doesn't want to rush into this either. I have an old-time saying, which is, "Go slow to go fast."

If we go fast, we then have to go slow, because then we realize, "Oops, we may have missed some things. We were a bit premature."

I'm asking the government to go slow to go fast. Let's make sure we get it right. That's why we're asking that five years be the amount of time that the minister or subsequent ministers will have in order to look at this particular amendment to the bill.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. The committee is ready to vote. You've asked for a recorded vote.

Did you want to speak, Mr. Hudak?

Mr. Tim Hudak: Yes. I was curious if the government was going to respond to Mr. Nicholls's suggestion.

The Chair (Mr. Peter Tabuns): Mr. Balkissoon.

Mr. Bas Balkissoon: Just to respond, the government can't support this motion, and I'll tell you why. If you look at it, the primary change is to allow five years and delay the whole process. The process has been in the mill for quite a while.

I don't understand his requirement that five years is appropriate when we've already gone out and asked for the expert report from Dr. Rosen. On top of that, we have the guidelines being put forward by the Canadian Council on Animal Care. So I have difficulty in setting that exact time frame. If we get the legislation in place—hopefully, today—and then back to the House, then the minister will work on his regulations on the standard of care. I don't see why my colleagues on the opposite side have this great fear that he needs this five-year time frame. All it does is delay the process.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Mr. Nicholls.

Mr. Rick Nicholls: To my colleague across: It's not a question of fear. It's just that we want to ensure that we do get it right, and we need time in order to do so.

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Again, that five-year time frame that we've put on this will in fact give the government lots of time to develop modern-day standards, not standards that were developed back in 1986, the UK model. That will give them plenty of time to develop those modern standards and policies, which are based on more science and multiple international best practices. I'm sure that the minister would appreciate some extra time on this as well. I don't want to put words in your mouth or in his, but again, we need to go slow to go fast.

You may think that five years is too slow. We think that if we're going to do this, we need to do it right the first time and not have to come back. Again, I want to indicate to you, sir, that the economic impact is extremely substantial. I know that is not one's intent, but intent versus what can oftentimes happen and does happen are two very different things. We want to just help you help us by your taking a good, hard look at our amendment and voting in favour of it.

The Chair (Mr. Peter Tabuns): Seeing no further comments—Mr. Hudak?

Mr. Tim Hudak: The parliamentary assistant earlier on talked about the minister considering all options. He's

going to consult broadly in forming the regulations. Do you have a point of view of how long that regulatory process is going to take? Are you rushing through it? Will it maybe be a year or two?

The Chair (Mr. Peter Tabuns): Are there any further comments? There being none—Mr. Hudak?

Mr. Tim Hudak: I just want to reinforce my colleague, Mr. Nicholls. It's important to get it right. I think, as we heard from experts, when it comes to things like tank sizes and the advancement in knowledge of marine mammals, there's a complexity to this. Dr. Rosen says there's a significant data set that we should look through. I just want to make sure that the government doesn't rush through this for the intention of a quick political announcement and that they actually take the time to get it right. Would the parliamentary assistant consider, if not a five-year time frame, a two-year time frame?

The Chair (Mr. Peter Tabuns): Are there any further comments? There being none, is the committee ready to vote?

Mr. Tim Hudak: Well—

The Chair (Mr. Peter Tabuns): Mr. Hudak, would you like to speak again?

Mr. Tim Hudak: Respectfully—thank you, Chair. It is helpful for us to understand the government's intent if we get some response from the government on these particular items. We're looking at a year; we're looking at two years. Mr. Nicholls has suggested five out of caution, but I think we would be willing to meet halfway in between if you would consider two or three years. Can we get a ballpark answer? Part of this committee is to understand the government's intentions as to how long this regulatory process is going to take.

The Chair (Mr. Peter Tabuns): Are there any further comments?

Mr. Bas Balkissoon: I will comment again to my colleague. He's been here longer than I have been. He knows how legislation goes through and he knows how regulations are dealt with. I think he's trying to get an answer on something before the piece of legislation gets to the House and is debated on. There's no opportunity for that. He has to understand the process. Maybe he does not accept the process, but the minister will take every piece of information and use best practice in the industry when he develops the regulations. I don't have a timeline.

The Chair (Mr. Peter Tabuns): Mr. Hudak, do you wish to speak?

Mr. Tim Hudak: No, I understand process. I think I'm trying to be helpful in that process. I understand how process works. Having been a minister, I understand that, and the minister has begun the consultation work on the regulations. You indicate that he's going to consider all options and he doesn't have a particular time frame. Maybe, at the very least, is he going to take the time to get it right?

The Chair (Mr. Peter Tabuns): I see no further comments. Go to the vote? You had asked for a recorded vote. All those in favour of PC motion 1?

Ayes

Hudak, Nicholls.

Nays

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi.

The Chair (Mr. Peter Tabuns): The motion fails.

We go to PC motion 2. You're going to move this, Mr. Hudak?

Mr. Tim Hudak: Yes. I'm going to do this one. I move that section 11.1 of the Ontario Society for the Prevention of Cruelty to Animals Act, as amended by section 2 of the bill, be amended by adding the following subsection:

"Standards of care and administrative requirements, enclosure size

"(1.1) A person is deemed to comply with any prescribed standard of care or administrative requirement that relates to the size of a marine animal's enclosure if the enclosure complies with USDA 9 Code of Federal Regulation part 3, subpart E"—some symbol I can't identify.

Mr. Rick Nicholls: Section.

Mr. Tim Hudak: —"section 3.104."

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Is there any comment? Mr. Hudak?

Mr. Tim Hudak: Just to explain this amendment. Mr. Nicholls and I certainly hoped that the first amendment would have passed, which would have given us some comfort that there's going to be a broad-based consultation based on the most modern scientific evidence, as Dr. Rosen himself and others had recommended. I was disappointed to see that amendment defeated. I thought it was a reasonable and helpful way to approach this, to make sure we get the standards right and, whether by intention or not, we don't close down the park or part of the park.

Having that fail, we're offering as a second alternative a tank size code that is working; that is, compared to the UK standard—unless your goal is to use the UK standard, is to shut it down. But if your goal is actually to make sure you have high standards for marine mammal care, we certainly think the USDA approach—we would have liked to have seen a made-in-Ontario approach, as Mr. Nicholls's first amendment had talked about. That was defeated by the government members with the support of the third party. So we'll try this as the second one.

The USDA—the United States Department of Agriculture—standard is based on good scientific evidence; it has been in place for some time. Unlike the USDA regulations, the UK standards for tank sizes do not address beluga whales, so it's broader-based. It is actually in practice, and while it's not as good as the made-in-Ontario solution we had first prescribed, this would be a superior way of going about this as opposed to risking park closure. Thank you, Chair.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. I assume, Mr. Balkissoon?

Mr. Bas Balkissoon: Thank you, Mr. Chair. Again, the government has difficulty with this. We will not be supporting it. If you look at what is being recommended here, it's to actually adopt a standard which is well below what is currently at Marineland, which I find very interesting. Their concern about Marineland—they're asking us to adopt a standard that Marineland itself is above. If you look at us adopting this, again I go back—we will look at all industry standards and the best practices that are out there, and that's what the government intends to do.

Currently, SeaWorld has just announced that they will expand their enclosures to sizes greater than the USDA standard. I have difficulty understanding where my colleague is going with trying to lock down the government to a particular existing code today when we have an option at this point in time, as he says, to develop something made-in-Ontario that is a best practice industry-wide.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Mr. Hudak?

Mr. Tim Hudak: Terrific. I appreciate it because we did get the parliamentary assistant to say that he's rejecting a certain standard and this gives me great pause. If you're rejecting the USDA standard, why don't you do the same with the UK standard? If we agree the UK standard will result in the closure of the park—that's certainly the evidence that we heard here at committee—which is implemented nowhere in the world, you can understand why this makes me nervous.

As a Niagara rep and somebody who believes in having world-class standards for allowing the park to continue to operate, why do you reject this standard but not the UK standard when you said all things are going to be considered?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Seeing no other comments—

Mr. Tim Hudak: Sorry. This is very serious; right? Mr. Balkissoon—

The Chair (Mr. Peter Tabuns): I understand that and you're free to make comment, but you may not get a response.

Mr. Tim Hudak: I'll try again. Mr. Balkissoon is a veteran member and experienced in public life and a trusted parliamentary assistant for the minister. He was very clear. I disagree with him, but he was very clear from the beginning that all standards are going to be considered and he refused to reject the UK standard, even though that would result in the closure of Marineland. The path he took was that everything's on the table. But now you're suggesting that you've taken something off the table.

Our fear is that the Liberal approach to this has been more about Liberal politics and photo ops and less about animal welfare and doing the right thing. The member speaks on behalf of the minister. Can you please help me understand, when you said you weren't going to reject any standards, why you just did?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Are there any other comments?

Seeing none, members are ready for the vote?

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Mr. Tim Hudak: Recorded vote.**The Chair (Mr. Peter Tabuns):** Yes, Mr. Hudak.**Ayes**

Hudak, Nicholls.

Nays

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

The Chair (Mr. Peter Tabuns): Thank you. The motion fails.

PC motion 3: Is one of you moving it? Mr. Nicholls.

Mr. Rick Nicholls: Yes, sorry. I move that section 11.1 of the Ontario Society for the Prevention of Cruelty to Animals Act, as amended by section 2 of the bill, be amended by adding the following subsection:

“Annual report

“(4) On or before December 31 in each year, the minister responsible for the administration of this act shall prepare a report that assesses the impact of the requirement in subsection (1) and determines whether, in the minister’s opinion, the requirement imposes undue hardship on a person or community.”

The Chair (Mr. Peter Tabuns): Mr. Nicholls, if you’d like to comment.**Mr. Rick Nicholls:** Chair, this particular amendment actually will compel the minister to conduct an assessment or review to ensure that all the unintended consequences that may result with the passing of this flawed bill, as currently written, are, in fact, mitigated.

Again, unintended consequences: We’ve heard Mr. Balkissoon talk about, “It’s not our intention to,” and he elaborated to some degree. The “undue hardship” definition can be borrowed from the Ontario Human Rights Code. This particular amendment will basically ensure that the government is held accountable by stakeholders, who have the most to lose if, in fact, this bill is rushed through. Again, I ask, we need to go slow to go fast.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. Any other comments? Mr. Balkissoon.**Mr. Bas Balkissoon:** I’ll reiterate again, although my colleagues don’t have confidence, that the government is committed to the strongest possible standards of care and protection. It’s what the public expects from us.

I think we also have to understand that these mammals are complex, diverse and unique creatures with special, specific needs. I think when we look at that basic foundation, someone’s hardship can’t trump those other issues. As I stated right from the beginning, we’re going to look to find the right balance.

Again, Mr. Nicholls, the amendment here is not something the government can support, and we’ll be voting against it.

The Chair (Mr. Peter Tabuns): Mr. Nicholls.**Mr. Rick Nicholls:** Again to Mr. Balkissoon and the other members, all members part of the committee, I just want to reiterate the fact that this particular amendment would ensure that the minister does prepare a report every year which will assess whether the standards of care have resulted in unintended consequences that may hurt the industry.

We believe that the bill, as it’s currently written, does not have any provisions to compel the government to conduct an impact study with respect to the standards of care. Of course, we want this amendment to actually force the government to assess the standards of care and change or amend them, if these standards impose financial hardship on a marine facility. That’s what we’re looking at here.

I hope that adds some clarification, Mr. Balkissoon.

The Chair (Mr. Peter Tabuns): Mr. Balkissoon.**Mr. Bas Balkissoon:** Chair, just a comment to my colleague: A request that a ministry perform something like this and a minister perform something like this annually is more undue stress on the minister than what my colleague thinks about the business. With due respect, look at all the problems you’re creating when you bring something forward like this versus what’s in the legislation, which is in many other pieces of legislation. We’re appointing the OSPCA to do a job, and they will have rules and regulations, and the business would have a standard of care to follow. The expectations on both sides would be well understood so that you don’t need this.**The Chair (Mr. Peter Tabuns):** Mr. Nicholls.**Mr. Rick Nicholls:** To Mr. Balkissoon: Our intent is not to add any undue stress on the minister, unless, of course, you’d like us to apply the UK standards of 1986.**The Chair (Mr. Peter Tabuns):** Thank you, Mr. Nicholls. Mr. Balkissoon?**Mr. Bas Balkissoon:** To comment on my colleague: You’re the same opposition party that stands up and says you want to remove red tape. If I could see a piece of red tape ever being pushed by a particular party, this is one of them. So you can’t speak on one side on one issue and then change on the other side. Let’s be consistent.

We’re following what we do in many other areas of government. What is in the legislation is reasonable. Why do we need to put these fixed requirements that you’re bringing forward? We have difficulty with it. It’s inconsistent with your stand.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Mr. Nicholls?**Mr. Rick Nicholls:** Obviously, I will disagree with Mr. Balkissoon on that comment. Again, we want to ensure that there are safeguards put in place, because we’re dealing with a business that has in fact been a strong, strong economic supporter of the Niagara region, as an example. We’re concerned about what is next, in terms of their viability as a business and, of course, the overall economic impact as well.

Again, when we look at this, we just don’t want to see the government rushing into this. We don’t want to add or create any additional red tape for the minister. You

believe it will. We believe that we need to have some safeguards in place to ensure the viability of this bill.

We're not rejecting your bill. We're suggesting that, through our amendments, we will help you strengthen the bill. That's our intent.

The Chair (Mr. Peter Tabuns): I see no further comments. We're ready to vote? A recorded vote, requested by Mr. Nicholls.

Ayes

Hudak, Nicholls.

Nays

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

The Chair (Mr. Peter Tabuns): The motion fails.

We go to PC motion 4. Mr. Hudak, you're moving it?

Mr. Tim Hudak: I move that section 11.1 of the Ontario Society for the Prevention of Cruelty to Animals Act, as amended by section 2 of the bill, be amended by adding the following subsection:

“Effect

“(5) If the minister responsible for the administration of this act determines that the requirement in subsection (1) imposes undue hardship on a person or community, the minister shall, within three months, amend the prescribed standards of care or administrative requirements so that they no longer impose undue hardship on the person or community.”

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Would you like to comment?

Mr. Tim Hudak: Yes, thank you, Chair. Just an explanatory note here: My friend the parliamentary assistant said he wants to reduce red tape. This is the red-tape-busting amendment to the bill. This basically says that if you brought in, as part of the bill, such burdensome red tape that it caused, for example, closure of significant aspects of the park, you'd have to revisit those decisions.

I'm somebody who believes that sunset clauses are important, to make sure legislation stays fresh and reflects modern times. Given that the government seems to be taking an arbitrary, if not political, approach on regulations, I'm very worried that you're not going to get it right. So it seems to be sensible that, when you have completed that process, if we find out you've brought in so much red tape onto Marineland that it's going to suffer significant economic consequences in three months, doesn't it seem wise to get rid of that red tape?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. I see no other comments.

Mr. Tim Hudak: Perhaps—

The Chair (Mr. Peter Tabuns): Mr. Hudak?

Mr. Tim Hudak: Yes, thank you, Chair. Perhaps the parliamentary assistant could just reply. I hope that means they're going to support this amendment, since he said he's against red tape. If not, perhaps we could get a

rationale from the government as to why they would reject this safeguard to eliminate red tape, if they bring so much that it's going to cause undue hardship on the marine mammals or undue economic hardship.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Mr. Balkissoon?

Mr. Bas Balkissoon: We'll comment to Mr. Hudak, in fairness. Mr. Chair, if you look at this amendment, it's related to the previous amendment that was voted down. To be honest with you, right now, it makes no sense that it remain on the table. But the government cannot support this, for the same reason: It's adding a burden onto the ministry to do all these things. It is not reasonable, in our opinion.

We've said from the beginning, in section 1, that the intent of the government is to bring in best practices. We have consulted with Dr. Rosen. We know what the Canadian council standards are, and the minister will bring the regulations forward.

I think my colleagues want to put what the minister's power is in regulations into the act, and we're not going to be supportive of that process.

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The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Mr. Hudak.

Mr. Tim Hudak: Now, look: I know that if you get it wrong, it's going to cause more work, but I don't think the main concern of the committee should be not making the minister have to work harder, or his staff or parliamentary assistant; it should be doing the right thing.

This basically gets you an “out” clause. If you mess up, if you rush the regulations, you wouldn't agree to a certain time frame. If you impose a wrong standard, you refuse to reject the UK standard, which would result in closure of the park, why wouldn't you support an anti-red-tape “out” clause that gives you a chance to fix it? If I make a mistake, I fix it. What do you do?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. I see no further comments. That being the case, we go to the vote.

Mr. Rick Nicholls: Recorded.

The Chair (Mr. Peter Tabuns): Mr. Nicholls requests that it be recorded.

Ayes

Hudak, Nicholls.

Nays

Balkissoon, Lalonde, Naidoo-Harris, Rinaldi, Singh.

The Chair (Mr. Peter Tabuns): The motion fails.

We now go to the vote on section 2. Shall section 2 carry?

Interjections.

Mrs. Marie-France Lalonde: Without amendment.

The Chair (Mr. Peter Tabuns): It was not amended, so—

Mr. Tim Hudak: Recorded vote.

The Chair (Mr. Peter Tabuns): Recorded vote. Fair enough.

Ayes

Balkissoon, Lalonde, Naidoo-Harris, Rinaldi, Singh.

Nays

Hudak, Nicholls.

The Chair (Mr. Peter Tabuns): Section 2 is carried.

We go to section 3 and PC motion 5. Mr. Nicholls, you're speaking.

Mr. Rick Nicholls: Thank you, Chair. I move that section 11.3.1 of the Ontario Society for the Prevention of Cruelty to Animals Act, as set out in section 3 of the bill, be amended by adding the following subsection:

“Regulation

“(4) The minister responsible for the administration of this act may make a regulation exempting a person from subsection (1) with respect to an orca that the person has custody or care of if, in the minister’s opinion,

“(a) the person will not endanger the orca; and

“(b) the person will comply with the prescribed standards of care, and the prescribed administrative requirements, with respect to the orca.”

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. A comment?

Mr. Rick Nicholls: Yes, thank you, Chair. We’re putting this particular amendment forward. We feel that it’s reasonable, and we also believe that it’s a very humane amendment, because it’s going to give Kiska, the orca living at Marineland, the opportunity to live with a companion.

The studies have proven that orcas are, in fact—they need companions. Of course, Kiska currently is living a life of solitude. We’re asking that this will give the minister the power to determine the time frame as to how long the exemption will last.

As well, I would urge all members on the committee to pass this amendment as we will be, in fact, preventing Kiska from being legislated to a life of solitude. We don’t want that. To our way of thinking, to my way of thinking, that’s cruelty, and we don’t want to see that. They’re sociable animals, and we believe that Kiska should, in fact, have a companion. So that’s what we’re asking for in this particular amendment. So I appeal to your emotional side.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. Mr. Balkissoon.

Mr. Bas Balkissoon: Thank you, Mr. Chair. Let me just reiterate that if you look at the legislation the way it’s written, the government is clear that it wants to end the practice of breeding or acquiring orcas. We feel strongly that orcas have to be left in the wild and that they should not be held in captivity.

This particular amendment sets out what I would call something very dangerous, through the back door, if I could put it that way, which is exempting a person to have an orca—when does the process end? If I listen to Mr. Nicholls, he wants to provide Kiska with a companion, but that leaves two orcas. If you have breeding, you’ll end up with three. If Kiska or the other orca was to pass away, you would have a never-ending cycle of providing an exemption. The intentions of the government and, I think, the intentions of the public, will never be met: that we should end the practice of breeding and acquiring orcas. That’s the government’s intent here, and we intend to proceed with that. I made it very clear to you that that’s our intent. We will be opposing this particular amendment.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Mr. Nicholls.

Mr. Rick Nicholls: I’m not surprised that you are opposing this amendment. Past performance is an indication of future performance, and so far you haven’t let us down in that regard. You actually let us down on all the amendments.

On a more serious note, really what this amendment is asking for is to give the power to the minister to exempt a person from an orca ban if, in the minister’s opinion, that particular individual does not endanger the orca and complies with the prescribed standards of care.

Interjection.

Mr. Rick Nicholls: I hope that was a note indicating that you will change your mind.

Again, what I’d also like to suggest to all members here is that we believe that the amendment is in fact a reasonable amendment. It will still give the minister the power to exempt a facility like Marineland from the orca ban as well as provide Marineland with the opportunity to bring in another orca to give Kiska companionship. We’re not asking about breeding; we’re not asking about more and more and more. We’re just saying that Kiska needs to have a companion. Again, I might add to Mr. Balkissoon that the amendment also gives the minister the power to determine the time frame as to how long the exemption would in fact apply.

We’re reaching out to all members, looking you right in the eye—those who are looking my way, of course. In all seriousness, we believe that this is a fair and reasonable request, especially for Marineland but even more importantly for Kiska, looking at it from a humane perspective. I would ask that you consider changing the direction in which your voting has gone thus far and move our way—work together on this.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. Mr. Balkissoon.

Mr. Bas Balkissoon: Just to respond, I respect my colleague and his compassion and his compassionate appeal to us, but as I stated, the government really wants to end the practice altogether. There’s nothing in this legislation that prevents Marineland from taking other action. I say that because the government has been told that Kiska is not healthy enough to be moved, and therefore I have concern that if we bring another one to

keep companionship with Kiska and something happens to Kiska, now we're left with the other orca. The other orca could be a performing orca, which just makes the process ongoing over and over. Marineland has the ability, if it ever happens, to relocate Kiska. If they're so concerned about companionship and if my colleague is compassionate enough, he should be doing the same appeal to them, that they have the opportunity to relocate Kiska to a facility where there would be companionship. But I don't think what we can do here will end the process of orcas in captivity, which is the intent of this government. There's still the option, if Marineland wished to proceed, to find a ways and a means to relocate. If the mammal is unhealthy, then I think you have to consider totally different legislation. We have not verified that the mammal cannot be moved. We've been told that; there have been no experts giving advice in that regard. We are dealing with a piece of legislation today because of the issues that are in front of us, and we want to deal with those issues.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Mr. Nicholls.

Mr. Rick Nicholls: Mr. Balkissoon made a comment; he said that they've had nothing stating that the animal cannot be moved. Contrary to that, I recall that, back when we were listening to our experts, it was determined and stated at that point in time that Kiska, because of her age, could not be moved. So with all due respect, I would challenge my colleague in that matter.

1510

Again, we want what's best for Kiska. That's what we want, and that's one of the reasons why we have brought forward this particular amendment: to advocate on her behalf. All the animal advocates out there, hear what we're saying. We're advocating on Kiska's behalf, and we want what's best for her. I would appeal to the emotional side of the government, who brought forward this legislation, and would ask that they perhaps have a change of heart.

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: Mr. Rinaldi seems to have some thoughts on this. Did you want to share?

Mr. Lou Rinaldi: No.

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: It's a serious issue. Basically, the government is condemning Kiska to a life sentence of isolation. Mr. Balkissoon said that nobody said she couldn't be moved; in fact, to the contrary, the testimony we did hear was that that would put her life at risk. I don't think you're considering euthanizing the animal by forcing a move.

Dr. Cornell said, when it comes to companions, "If that was something that could be done, I would absolutely say that she would be better off with a companion animal with her, of course. I think we'd all like to see that. Barring the obtaining of an animal for her as a companion, she's doing very well as she is"—in terms of the care at Marineland, than she would get elsewhere.

I believe that Dr. Cornell—I should check Hansard, Chair—it wasn't Dr. Cornell; it was another one of the veterinarians who said it would be absurd to try to move Kiska, because of the risk.

Faced with that choice, if those who care for her say she can't be moved, isn't it better to leave open the alternative of having a companion for Kiska, as opposed to what is inhumane, and that's condemning her to a life of isolation as long as she lives?

I'll ask the parliamentary assistant. You would agree that condemning her to solitary isolation for the rest of her life is inhumane?

The Chair (Mr. Peter Tabuns): Mr. Hudak, you've finished your comments?

Mr. Tim Hudak: I just want to make sure the parliamentary assistant had a chance to respond. In the government's opinion—I'm going to try again—

The Chair (Mr. Peter Tabuns): Well, keep speaking, and when you're finished, then I'll ask if there are other comments.

Mr. Tim Hudak: Thanks, Chair. I'll try again—and if not the parliamentary assistant, maybe somebody else wants to comment. Is it the government's opinion that isolating Kiska for the rest of her life in a solitary existence is inhumane, or not? It's a simple question, and it's critically important. The largest part of this bill, in terms of space, is around the standards of care and the role of the OSPCA. Most of the government's focus in the public relations sphere has been around Kiska and orcas. But I think if we truly believe the government's intent is to improve animal welfare conditions, a very basic, simple question—

Interjection.

Mr. Tim Hudak: I'm sorry—

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: A very basic, simple question, parliamentary assistant: Does the government believe it's inhumane to condemn Kiska to a life of isolation as long as the mammal exists?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak.

Madame Lalonde, would you like to speak?

Mrs. Marie-France Lalonde: I think Mr. Hudak is bringing one single perspective that was raised during the committee hearings. My understanding is that there were other experts or other people who raised different situations.

I also would like to remind Mr. Hudak that, from my understanding, Marineland itself tried to embark on reunification or trying to find a companion for Kiska a few years ago. Unfortunately, they have been unsuccessful. Kiska had demonstrated some aggression and behaviour that, unfortunately for Kiska, SeaWorld or whoever—I think SeaWorld—felt that it was not a compatible companion, the orca that they were presenting.

I think why we're here today, and what the government is trying to do in Bill 80, is really clear: We want to end the practice of breeding and acquiring orcas in Ontario. Certainly we have Kiska's best welfare at heart, but unfortunately she belongs to Marineland.

The Chair (Mr. Peter Tabuns): Are there any other comments? Mr. Hudak.

Mr. Tim Hudak: I appreciate Madame Lalonde's interjections here. Just to make sure I understand, then, the government's position: Your position is that you think what's in the best interests of Kiska is to move her?

The Chair (Mr. Peter Tabuns): Madame Lalonde.

Mrs. Marie-France Lalonde: It is not my place to say. My understanding is that the owner of Kiska is Marineland, and that's ultimately their decision, in looking at various options.

What I'm saying to the member is that our bill, why we're here today, is to reiterate that we're moving forward in ending the practice of breeding and acquiring new orcas in Ontario.

The Chair (Mr. Peter Tabuns): Mr. Nicholls.

Mr. Rick Nicholls: To Madame Lalonde, and to others on the committee on the government side: Again, what I would like to point out is that the intent of this particular amendment is to provide companionship for Kiska. That's what we're looking at.

Your bill, as it is currently written, denies any injured orca the opportunity to be rehabilitated at Marineland and returned to the wild. Marineland would suggest that a ministerial exemption from the prohibition, with appropriate conditions, be considered by this particular amendment.

Again, what do we do if, in fact, there is an injured orca and it needs to be rehabilitated? There is a possibility that it could in fact be rehabilitated in Marineland and, at the same time, provide companionship for Kiska. Once that orca has been rehabilitated, it could then be returned back to the wild, and—well, we'll see what happens to Kiska then.

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: Chair, just one last try: Is it the government's position that confining Kiska to a life of solitary existence is inhumane?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. Are there any further comments? I see none.

Mr. Hudak.

Mr. Tim Hudak: The thing I want to add to this, too, to make sure that the option for the government is understood: The amendment that Mr. Nicholls has brought forward allows the minister, through regulation, to prescribe a companion for Kiska. Mr. Balkissoon said he's afraid of a constant loop of new orcas, and then a companion orca for that orca etc. It's well-crafted to basically allow the minister responsible to time-limit a companion, or to have a prescription in there to say that if Kiska were to pass away, the companion goes back to his or her host facility. I want to make sure we're clear about this: It gives the minister the ability to prescribe, in great detail, the circumstances of the companion.

It just seems like this is a very sensible, humane amendment. I don't think we heard from anybody at the committee who thought it right to condemn Kiska to a life of solitary existence. We did hear from groups who wanted you to include Kiska in the ban, and they wanted

you to force Kiska to be removed. Then we heard from others who said it's preferable to have a companion. Correct me if I'm wrong; I don't think anybody said to condemn Kiska to a life of isolation.

This seems like it's a humane thing to do. It allows the minister to set the parameters around a companion killer whale. If the government's intent is genuine, and this is all about humane treatment for marine mammals and having the highest standards of care, why won't you allow the minister, under detailed circumstances, to bring in a companion for Kiska and improve her mental state?

1520

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. There being no other comments, we move to the vote.

Mr. Rick Nicholls: Recorded vote.

The Chair (Mr. Peter Tabuns): Mr. Nicholls requested a recorded vote.

Ayes

Hudak, Nicholls.

Nays

Balkissoon, Lalonde, Naidoo-Harris, Rinaldi, Singh.

The Chair (Mr. Peter Tabuns): The motion fails.

We go to the vote on section 3.

Mr. Tim Hudak: I'd like to debate on section 3 as a whole.

The Chair (Mr. Peter Tabuns): Yes, go ahead.

Mr. Tim Hudak: I think the amendment Mr. Nicholls brought forward was very reasonable. It was humane. It's the right thing to do. I understand the government's goal is to end the importation of orcas and orcas being held in captivity in the province of Ontario. But we heard very clearly from, I think, almost everybody that entered debate in the committee that a companion was important. So you face two choices: You either move Kiska so she'd have a companion, or you leave the door open for a companion here. I think we crafted a very sensible, humane amendment that would allow, under prescribed circumstances, a companion. The minister, then, if Kiska passed away, could send the companion orca back to where he or she came from, or to a suitable facility elsewhere. It just seemed sensible.

Chair, we had hoped that we could support this section of the act, but I just cannot be here at committee or stand up at the assembly and vote for a life sentence of isolation for this killer whale. Every bit of testimony we heard on the topic said that's the last thing you want to do. Every bit of testimony we heard on this part of the bill was to open the door to companionship—one of two doors—and not just slam them shut permanently. I just cannot, in my heart or my mind, understand why the government—or the third party, for that matter—wants to pass section 3, which will effectively condemn this orca to a life sentence of isolation. I can't support it, Chair.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hudak. We are now voting, then, on section 3. Shall—

Mr. Rick Nicholls: Recorded vote.

The Chair (Mr. Peter Tabuns): Recorded vote requested. Shall section 3 carry?

Ayes

Balkissoon, Lalonde, Naidoo-Harris, Rinaldi, Singh.

Nays

Hudak, Nicholls.

The Chair (Mr. Peter Tabuns): It is carried.

We go now to section 4 and Progressive Conservative motion 6. Mr. Hudak.

Mr. Tim Hudak: Chair, I move that section 11.4 of the Ontario Society for the Prevention of Cruelty to Animals Act, as set out in section 4 of the bill, be amended by adding the following subsection:

“Exception, marine animals

“(1.0.1) Despite subsection (1), an agent or inspector of the society may enter and inspect a building or place where marine animals are kept only if he or she has been certified with respect to marine animals in a manner deemed appropriate by the minister responsible for the administration of this act.”

The Chair (Mr. Peter Tabuns): Comments?

Mr. Tim Hudak: Just a brief explanatory note: This amendment would close a few of the gaps that currently exist in the OSPCA Act with respect to marine animals. What I worry about is that the model proposed in this bill would allow an inspector who may have every qualification in the treatment of dogs or cats or horses to suddenly become an expert in marine mammals.

I think we heard quite convincingly at committee that these are complex animals. They’re sophisticated. Our knowledge of their behaviours, their health, is growing each and every day, but there are significant biological differences between marine animals and what the OSPCA currently inspects. So if the bill were passed without this amendment, Chair, we would be permitting, to use an analogy, a foot doctor to perform brain surgery. It seems sensible to me that if you’re going to trust OSPCA inspectors to investigate marine mammals, they should be certified in the treatment of marine animals, not dogs or cats or horses.

The Chair (Mr. Peter Tabuns): Mr. Balkissoon?

Mr. Bas Balkissoon: With due respect to Mr. Hudak, I hear his concern, but I have to say that the way his amendment is written, it makes it mandatory that every time the OSPCA agent or inspector goes in, a veterinarian would have to be in his accompaniment. We disagree that that is absolutely necessary because our inspectors are empowered to inspect other things, such as feeding logs, the standard of care, administrative process etc. The way the act is currently written, it allows the inspector to bring with them a veterinarian when it’s

necessary to look at the major concerns to deal with the mammal itself. We think that’s a better model.

To be honest with you, I think this is overkill on one hand, but I’m not sure what his concerns are because in the act, it provides the flexibility. If you’re concerned that an OSPCA inspector without the proper skills is going to be bringing some undue burden on the operator, I would say to you that that’s a fear that is far-fetched.

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: I appreciate the comments by the parliamentary assistant. Just a point of clarification: The parliamentary assistant is talking a bit about the next amendment with respect to veterinarians, which Mr. Nicholls is going to talk about. We’re willing to stand that one down if you support the amendment before the committee right now. The reason, and Mr. Nicholls will explain it, that we have the veterinarian in the company of an OSPCA inspector is because we’re worried that the OSPCA inspector doesn’t know marine mammals.

This amendment on the floor right now would ensure that any OSPCA inspector has certification when it comes to marine mammals. It just seems to be very simple, it just seems like basic sense that if they’re going to come in and inspect animal welfare, they should know the difference between a dolphin and a dog.

The Chair (Mr. Peter Tabuns): Are there further comments? Mr. Balkissoon.

Mr. Bas Balkissoon: Mr. Chair, I hear what he’s saying, but again, I go back to him and I say, if you look at the legislation, it will create the standards of care. The technical advisory committee will set all the guidelines in place etc. that the minister will do in his regulations. You’re trying to put that in the legislation and circumvent the minister’s regulations ahead of time by putting in these mandatory requirements, which we totally disagree with.

Again, you’re trying to tie the minister’s hands, whereas the legislation, the way it’s written, provides the minister with the power to do all of these things with the best professional advice and the experts out there. We need to allow the technical advisory group that is being set up and consulted at this present time on what it is that standard of care will be and how you’re going to administer it—you’re trying to get ahead of the curve. I disagree with you in that particular respect, and this is where the government can’t support your two amendments, both 6 and 7, because that’s what you’re really trying to do.

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: In response, through you, Chair, respectfully, we’re legislators. We write the laws. That’s what we’re here to do. If you’re saying that we’re trying to circumvent a regulatory process—we’re trying to write the law that will guide the regulatory process. It just seems to be very basic and very sensible, I think, to anybody watching at home that if you’re going to have an inspector from the Ontario Society for the Prevention of Cruelty to Animals, the OSPCA, come into a marine mammal facility, they’d better know something about marine mammals. They’re not going to a house one day

to inspect a cat or to a barn one day to inspect a cow, and then all of a sudden, we expect them to know overnight about something as complex and different as killer whales or seals. Why wouldn't we say that anybody who will have that role should be certifiably able to do so, that they're basically trained in marine mammal biology?

I think in our defence in opposition—the member says we're trying to circumvent the regulatory process. You're the ones who actually rushed this bill through, right? You're actually the folks who time-allocated this bill. You rushed it. You limited committee to two hours for consideration.

Interjection.

Mr. Tim Hudak: Mr. Rinaldi shakes his head, but no, you did. You voted for that.

Interjections.

Mr. Tim Hudak: You voted for the time allocation motion which forced the committee to write the law before the regulatory process was complete. So don't accuse me of trying to circumvent process. You forced this.

We're trying to be productive. We're trying to be helpful in making sure the bill has world-class standards. Isn't it simple, through you, Chair, to my colleagues, to say that if we want world-class standards, shouldn't those who do the inspecting know a little something about marine mammals?

1530

The Chair (Mr. Peter Tabuns): Are there any further comments? Mr. Balkissoon.

Mr. Bas Balkissoon: Again, I say to my colleague that the government intends to—that's our focus—proceed with regulations that will deal with a complete suite of standards of care tailored to meet the marine mammal. The inspector will be trained in those things. These standards are going to be very clear to the inspector or when they do visit one of these places and inspect for compliance based on the standards that are set.

So it is something that is understood, that it will be in regulation. I think my colleague here is trying to put in place today something that is mandatory that is not in the regulation at this point in time, and we disagree. With due respect, we disagree. It will be in regulations. The inspector will be trained. We're not going to be doing what you're saying; you're speculating that somebody will be going in there, and they won't have the training and the skills. I think that fear is far-fetched.

The Chair (Mr. Peter Tabuns): Further comments? Mr. Hudak.

Mr. Tim Hudak: I just want to clarify on that point. I appreciate the response. I know the government wants me to be comfortable with them trying to put the cart in front of the horse; I'm not. I think we should write the law, and the regulations follow from that. But we're in this spot. You forced it and forced the committee to take place and put a lot of trust in the government.

I take it you're not going to support this amendment. If we don't get the law changed, intent is helpful. So is it the intent of the government to have a certification

process for OSPCA inspectors that will ensure they have marine mammal training?

The Chair (Mr. Peter Tabuns): Are there any comments?

Mr. Tim Hudak: I'm sorry. It would help me, Chair, through you—I know I went on a bit long there. I'll just ask a quick question.

The Chair (Mr. Peter Tabuns): Mr. Hudak, and just for clarification for everyone, I take all your comments. I'm very happy to hear the comments. We're not in question period, so I just point that out to all those here. I understand the way you're phrasing it, and I think it's an effective rhetorical technique.

Mr. Tim Hudak: Thank you.

The Chair (Mr. Peter Tabuns): Please proceed.

Mr. Tim Hudak: Yes, because I think I should know. As those down the road look at the legislation, while the legislation may not change, intent is a helpful aspect as well. I just ask a simple question: If you're going to reject my amendment, is it the intent of the government, through regulations, to bring in a certification process for OSPCA inspectors to ensure they're trained in marine mammal biology?

The Chair (Mr. Peter Tabuns): Any further comments by any members of the committee? There being none, we go to the vote.

Mr. Tim Hudak: Recorded vote.

Ayes

Hudak, Nicholls.

Nays

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

The Chair (Mr. Peter Tabuns): The motion fails. We go to the next amendment, PC motion 7. Mr. Nicholls.

Mr. Rick Nicholls: I move that subsection 11.4(1.1) of the Ontario Society for the Prevention of Cruelty to Animals Act, as set out in section 4 of the bill, be struck out and the following substituted:

“Accompaniment

“(1.1) An inspector or an agent of the society conducting an inspection under this section shall ensure that he or she is accompanied by at least one veterinarian. The inspector or agent may be accompanied by additional veterinarians or other persons as he or she considers advisable.”

The Chair (Mr. Peter Tabuns): Mr. Nicholls.

Mr. Rick Nicholls: I recall that, back when the government first introduced this bill, we had a briefing. We were briefed on what the bill is and so on. I had a red flag that kind of popped up in my mind, and that was with regard to training. Of course, my background, over 25 years, is training and development. One of the worst things that can happen is someone not being trained for a

position that they are holding and being held accountable for. I cited at that time an example of an OSPCA inspector who went to a particular farm, in this case, back in my riding. I'm in an agricultural area back in the riding of Chatham-Kent-Essex. He went to a farm and actually investigated a concern. Of course, I understand that aspect of it. He found cattle just standing in water after a heavy rain. He felt that was inhumane, and put a huge fine on the farmer in question. To my way of thinking, it was certainly not necessary—not necessary at all.

It raised the question in my mind, then, about training. How trained was that inspector at that point in time to be able to go out and just suddenly drop the bomb on this farmer and, in fact, penalize him, which costs money as well?

Then I thought, "This isn't the Wild West. What we need to look at is specific training for OSPCA people." This is why we've brought in this particular amendment: to ensure that, in fact, the OSPCA officers or inspectors receive an expert opinion from medically trained professionals on an animal that may be suffering a health issue. If they walk into a situation, can they really determine if an animal is in distress or not? If they are trained and if they have medical advisers with them—a vet—the vet can make that decision or make that assessment, anyway, with regard to the well-being of the mammal in question.

The other major problem that we have under the current model of the OSPCA is that the OSPCA inspector isn't required to have the educational background in animal sciences or animal biology which is necessary for determining the health issues that an animal may be suffering from. So now I'll go right back to the training; they're not required to be, and we're suggesting that they be trained.

You have indicated in the past amendment, with all due respect, Mr. Balkissoon: "We'll make sure." I'm saying, "Show us." You say that the minister will, in fact, look at best practices, but we need to have the reassurance that in fact the OSPCA inspectors will have the specific training needed. As well, we're asking, in all fairness, for the health and well-being of animals—especially at Marineland or in other facilities—that they are, in fact, accompanied by an inspector.

Again, one of the things that we need to take a look at and realize is that not all health issues that are caused by animal cruelty are visible through basic observation, and this amendment addresses that particular issue.

I'm sure that if you, at any point, or if any one of us in this room required medical assistance, we would want to ensure that the person attending to us had the necessary training to best address the situation that we are finding ourselves in.

Again, I would ask that you would reconsider and provide us with—we're not asking for a detailed play-by-play in terms of what specifically the inspector needs to be trained in, but they need to be trained thoroughly and properly rather than just, "Here's their unspecified training." They need to have specific training in this, and we're also asking that, in fact, they be accompanied by a

veterinarian who can in fact provide maybe that needed area of expertise that perhaps even a trained OSPCA inspector may not be qualified in.

I would ask that you would reconsider—give us one.

The Chair (Mr. Peter Tabuns): Thank you for your comments.

Mr. Rick Nicholls: But in fairness—sorry, Mr. Chair.

The Chair (Mr. Peter Tabuns): Go ahead, Mr. Nicholls.

Mr. Rick Nicholls: I'm a bleeding heart over here, right? But again, there is seriousness involved and I know that you're not taking what we're saying lightly, either. We have to inject a little bit of humour every once in a while, I think. But again, we want to ensure that the OSPCA inspector receives the expert opinion, whether the animal has been endangered or not.

Again, as I've mentioned before, I will reiterate, if I may, Chair, that under the current model an OSPCA inspector isn't required to have a background in animal biology or animal sciences. They are just currently required to have a high school diploma. I'm not knocking that, but they're just required to have a high school diploma or a post-secondary education, say, in police foundations, law or security education or animal enforcement in order to work as an officer.

1540

We feel it's imperative, when they visit these facilities, that they are in fact accompanied by an inspector, specifically in the area of expertise that is required—in this particular case, marine biology. That's what we're looking at.

Again, remember, it's not easy to identify, perhaps, visible signs of trauma to an animal. It's even harder to determine whether an animal is suffering from health issues or not.

Going back a little bit further, we had talked about the suggestion by one of the "experts," Dr. Rose, who stated that maybe that animal should be moved. We heard experts state that that animal, Kiska, cannot be moved. Therefore, we are challenging her opinion on that particular matter.

Let's ensure that veterinarians are in fact present. Let's ensure that the OSPCA officer can in fact receive expert opinion on whether an animal is truly in distress or not. That's all we're asking for, with this particular amendment, Mr. Chair.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Nicholls. Any other comments? Mr. Balkissoon.

Mr. Bas Balkissoon: You know, I hear Mr. Nicholls's appeal and his compassion for this particular area, but he must realize that making it mandatory to have a veterinarian accompany the inspector every time is an undue burden on the government itself. We talked about red tape earlier on.

We as a government see it that we need to provide the flexibility to the inspector from the OSPCA. When they go in to do their compliance inspections, because of all the rules that will be in regulations for standard of care, for administration etc., the inspector will make that call. When a veterinarian is necessary, they will bring the

veterinarian with them and do the appropriate inspection and compliance visitation.

We would rather let the system have that flexibility and provide the inspector with all the tools that are necessary to do the best job. We would have to say that in the regulations, those compliance issues and the standard of care will be very clear, concise and understood by all parties.

We have difficulty with this mandatory requirement, because it puts undue burden on the OSPCA and, again, it's not necessary. So the government will not be supporting this particular amendment.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Balkissoon. Any further comments? Mr. Nicholls.

Mr. Rick Nicholls: To my colleague Mr. Balkissoon: Your comment “undue burden on the government”—if an OSPCA inspector is in fact required to have a qualified, medically trained veterinarian along with them—able to identify stress, no stress, or whatever the ailment is for this animal—you say that that will put an undue burden on the government. I would suggest to the government that without that, it’s going to put a greater burden on the government if in fact there’s misdiagnosis; if in fact the OSCPA inspector who happens to be the one selected to go to that particular facility misdiagnoses, and the animal isn’t taken care of immediately, as would be the case if in fact a veterinarian did accompany that OSPCA inspector.

You also used the word—you want to be able to give inspectors flexibility. I would think that by allowing an inspector to have accompaniment with a veterinarian, that would ease, maybe, some of the undue burdens and pressures on that particular inspector in terms of their risk of making an improper diagnosis on a particular animal that may in fact be distressed.

Of course, you also talked about providing all the tools necessary in order to do the job right. To me, by providing a veterinarian to accompany an inspector, that, sir, in my opinion, is providing that inspector with the proper tools necessary so that the proper care can, in fact, be administered to the animal that is requiring attention. So I will use your argument back to you as well.

The Chair (Mr. Peter Tabuns): I see no further comment. We’re ready to vote on PC motion 7.

Mr. Rick Nicholls: Recorded.

Ayes

Hudak, Nicholls.

Nays

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

The Chair (Mr. Peter Tabuns): The motion fails.

We go to vote on section 4. Mr. Hudak.

Mr. Tim Hudak: Just on debate on this section, Chair: In good faith, Mr. Nicholls and I and the support of our PC research—Meldrick Pereira, particularly, has worked hard on this bill. We appreciated his good efforts

and research. He’s probably learned a lot more about marine mammals than he ever thought he would in his lifetime.

With respect to this section, I think we actually had some sensible amendments that would ensure that OSPCA inspectors would be qualified to inspect marine mammals. I don’t understand the government’s reticence to actually put that in legislation, so I just cannot support this section, not without the amendments.

The Chair (Mr. Peter Tabuns): It looks to me that the committee is ready to vote.

Mr. Tim Hudak: Recorded vote.

Ayes

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

Nays

Hudak, Nicholls.

The Chair (Mr. Peter Tabuns): The section is carried.

Colleagues, we have no amendments in sections 5 to 12.

Mr. Tim Hudak: Debate?

The Chair (Mr. Peter Tabuns): Pardon?

Mr. Tim Hudak: Just quick debate?

The Chair (Mr. Peter Tabuns): You’d like to debate all of 5 to 12 as a package, Mr. Hudak?

Mr. Tim Hudak: I have no intention of delaying this, Chair. There are a couple of comments I wanted to make on some individual sections, so can we do them individually?

The Chair (Mr. Peter Tabuns): Not a problem at all.

Mr. Tim Hudak: Thank you.

The Chair (Mr. Peter Tabuns): We are going to vote, then, on section 5.

Mr. Tim Hudak: Debate on section 5: Chair, thank you for the time. So this section 5 gives the society greater powers to demand records or things, the inspections again. I would feel much more comfortable supporting this aspect of the legislation if I knew the inspectors were actually trained in marine mammal biology. As I said from the beginning, our comfort level is raised when it comes to the government’s motives in this legislation if we know it’s based on the best scientific evidence, the highest quality of care and practice. But if we don’t know if the inspectors are qualified, how can I support this section?

The Chair (Mr. Peter Tabuns): I see no other comments. We’re ready to go to the vote.

Mr. Tim Hudak: Recorded vote.

Ayes

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi.

Nays

Hudak, Nicholls.

The Chair (Mr. Peter Tabuns): The section is carried.

We go to section 6. Going to the vote on section 6.

Mr. Tim Hudak: If I could, Chair?

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: Again, if the government had supported our amendment on the humane treatment of Kiska, as opposed to condemning Kiska to a life of isolation, we would be more amenable to supporting this section. But if the government is going to go down the inhumane path that nobody recommended at committee, we cannot support this section of the bill.

The Chair (Mr. Peter Tabuns): You're ready to vote?

Ayes

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

Nays

Hudak, Nicholls.

The Chair (Mr. Peter Tabuns): Carried.

We go to section 7. Ready for the vote?

Mr. Tim Hudak: Just a quick debate.

The Chair (Mr. Peter Tabuns): Mr. Hudak.

Mr. Tim Hudak: I just want to reiterate my points from section 6, the same concerns with section 7.

The Chair (Mr. Peter Tabuns): Ready to vote on section 7?

Mr. Tim Hudak: Recorded vote.

Ayes

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

Nays

Hudak, Nicholls.

The Chair (Mr. Peter Tabuns): It is carried.

We shall go to section 8. I see no commentary. Are we ready to vote? Shall section 8 carry? Carried.

We go to section 9. Are there any comments? Mr. Hudak.
1550

Mr. Tim Hudak: I just want to say that I'm going to support section 9. I think that this is an appropriate approach to ensure the continued objectivity of scientific research.

I just want to show that we're very reasonable and balanced and voting for the best possible legislation, Chair.

The Chair (Mr. Peter Tabuns): I understand, Mr. Hudak, entirely.

We're ready to go to the vote. Shall section 9 carry? It is carried.

Section 10: Any commentary? You're ready to vote? Shall section 10 carry? It is carried.

Section 11: Is there any commentary? You're ready for the vote? Shall section 11 carry?

Mr. Tim Hudak: Recorded vote.

The Chair (Mr. Peter Tabuns): You know, you have to jump in a bit sooner. I'll go to a recorded vote, but the next time, Mr. Hudak, I'm just going to keep going through.

Ayes

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi.

Nays

Hudak, Nicholls.

The Chair (Mr. Peter Tabuns): Carried.

Section 12: Comment, debate?

Mr. Tim Hudak: Again, showing the reasonable and balanced approach of the PC caucus, we will support the name of the bill.

The Chair (Mr. Peter Tabuns): So you'll support 12 and the name of the bill?

Mr. Tim Hudak: Section 12.

The Chair (Mr. Peter Tabuns): Just 12.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Section 12 is the short title.

The Chair (Mr. Peter Tabuns): Ah, the short title. Okay.

Any further comment? People are ready to vote?

Mr. Tim Hudak: Recorded vote.

Ayes

Balkissoon, Colle, Hudak, Lalonde, Naidoo-Harris, Rinaldi, Singh.

The Chair (Mr. Peter Tabuns): It is carried.

Title. Colleagues, we're at the title. I don't see any indication of discussion. Are you ready to vote? Shall the title of the bill carry? Carried.

Shall Bill 80 carry?

Mr. Tim Hudak: Debate?

The Chair (Mr. Peter Tabuns): My apologies. Mr. Hudak.

Mr. Tim Hudak: I think I laid out my comments from the beginning, as did Mr. Nicholls. He may have some concluding comments to make.

We had hoped that this would be a process where all three parties could agree to make sure we have world-class standards when it comes to animal welfare, particularly marine mammal welfare, in the province. We had done our research. We had listened closely at committee to deputations and brought forward seven very responsible and thoughtful amendments that would ensure those standards. We did, however, sadly see that not a single one of our amendments was passed.

As I said at the beginning I think there are two approaches: You permit Marineland to continue to operate—“permit” is probably not the right word—ensure that they continue to operate and offer that choice to families with world-class standards, or you could follow the activists’ advice—again, I respect their opinion, but I disagree with their view that all animals in captivity should be banned in the province of Ontario; I just don’t think that fits with mainstream opinion.

We tried to follow path number one and ensure we’d have the world-class standards and offer that choice and continue the jobs and investments to give confidence. We tried to do so in three respects: one, to make those standards—we had a chance here for an Ontario-made solution, a made-in-Ontario solution that would look at the best and most modern scientific evidence anywhere in the world and put that into regulations.

A lot of that work was already done by the CCAC committee. Dr. Rosen, the government’s own hand-picked expert, the chair of that committee, brought testimony before the committee that I read into the record. He wasn’t able to make it, but he strongly recommended that. We brought forward amendments that would enshrine that both in spirit and letter—defeated by the government.

We have great concern about the imposition of UK standards. I think probably the most useful quote on that comes from Dr. Rose, who is an activist and, as Dr. Cornell described, a bureaucrat more than a scientist. She’s not a veterinarian per se, but she did her doctorate of philosophy in orca behaviour in the wild. Nonetheless, she was clear about what the agenda of some of these groups is. She said, “In the case of the UK standards, they in fact did close down all the facilities in the UK, because they decided it wasn’t worth operating under those standards, and their profit margins shrank to the point where they didn’t think it was worth operating.”

Dr. Cornell thinks standards like the UK model might be feel-good proposals but they have no scientific basis. They are solely designed to eliminate zoological facilities altogether. We had hoped that we would achieve at least the second goal, for the government to reject the UK standards. They haven’t told me that, and that’s going to undermine confidence in investment in this facility until they distance themselves from them. I’ll remind them that it’s not used anywhere in the world—not a single institution—and it achieved the closure of like institutions in the United Kingdom. The sooner we get clarity from the government that they’re rejecting the UK standards on tank sizes, the more confidence people are going to have moving forward.

Our third helpful amendment was a humane amendment to allow Kiska, under prescribed circumstances, to have a companion. The government has decided to go down an inhumane path by legislating in law a life sentence of isolation. That’s a mistake. I think it’s inhumane. I think it’s the wrong thing to do.

I’m satisfied that Mr. Nicholls and I brought forward the best recommendations from the committee. We would have made this bill stronger with world-class

standards we could be proud of. We would see confidence in Marineland and the jobs it creates. We would continue to see Ontarians of all shapes, sizes and backgrounds benefit from the educational entertainment facilities there at Marineland.

I do worry that the government, by rejecting these things, has actually made their approach seem arbitrary as opposed to being based on science. I find that regrettable, and I cannot support the bill in this form.

The Chair (Mr. Peter Tabuns): Mr. Nicholls.

Mr. Rick Nicholls: Again, one of the red flags that popped up during the briefing the government provided us with at the very beginning of this was, if this is about orcas—is it really about orcas? What’s next? My concern is, is it beluga whales? Is it dolphins?

Of course, Mr. Hudak quoted Dr. Lanny Cornell: “These are ‘feel-good’ proposals only, and have no scientific basis. They are solely designed to eliminate zoological facilities altogether.”

Dr. Michael Noonan was quoted as saying, “The second point that I can speak to is a lack of evidence regarding the effects of additional space. If the UK standards were to be adopted—it’s my opinion that there’s a lack of evidence to support that.”

Again, Chair, we don’t want to see undue hardship on Kiska, on any marine animals. We also don’t want to see hardship on private enterprise and the potential closure of Marineland. If that’s the case, this government will wear it. They will wear that.

We have some very serious concerns, because now you’re looking at an entire region. You’re looking at not just one business. You’re looking at 700 families. You’re looking at 36,000 other people affected, perhaps, in tourism in the Niagara region. That has a very serious, serious impact. In a province that is right now, in our opinion, not headed in the right direction, this is going to seriously impact the economics not only of that region, but of this province as well.

For that reason and for many other reasons, I cannot support this bill, and I know that Mr. Hudak is of like mind with me in that regard as well.

The Chair (Mr. Peter Tabuns): I see no further comments. Is the committee ready for the vote?

Mr. Tim Hudak: Recorded vote.

The Chair (Mr. Peter Tabuns): Recorded vote.

Ayes

Balkissoon, Colle, Lalonde, Naidoo-Harris, Rinaldi, Singh.

Nays

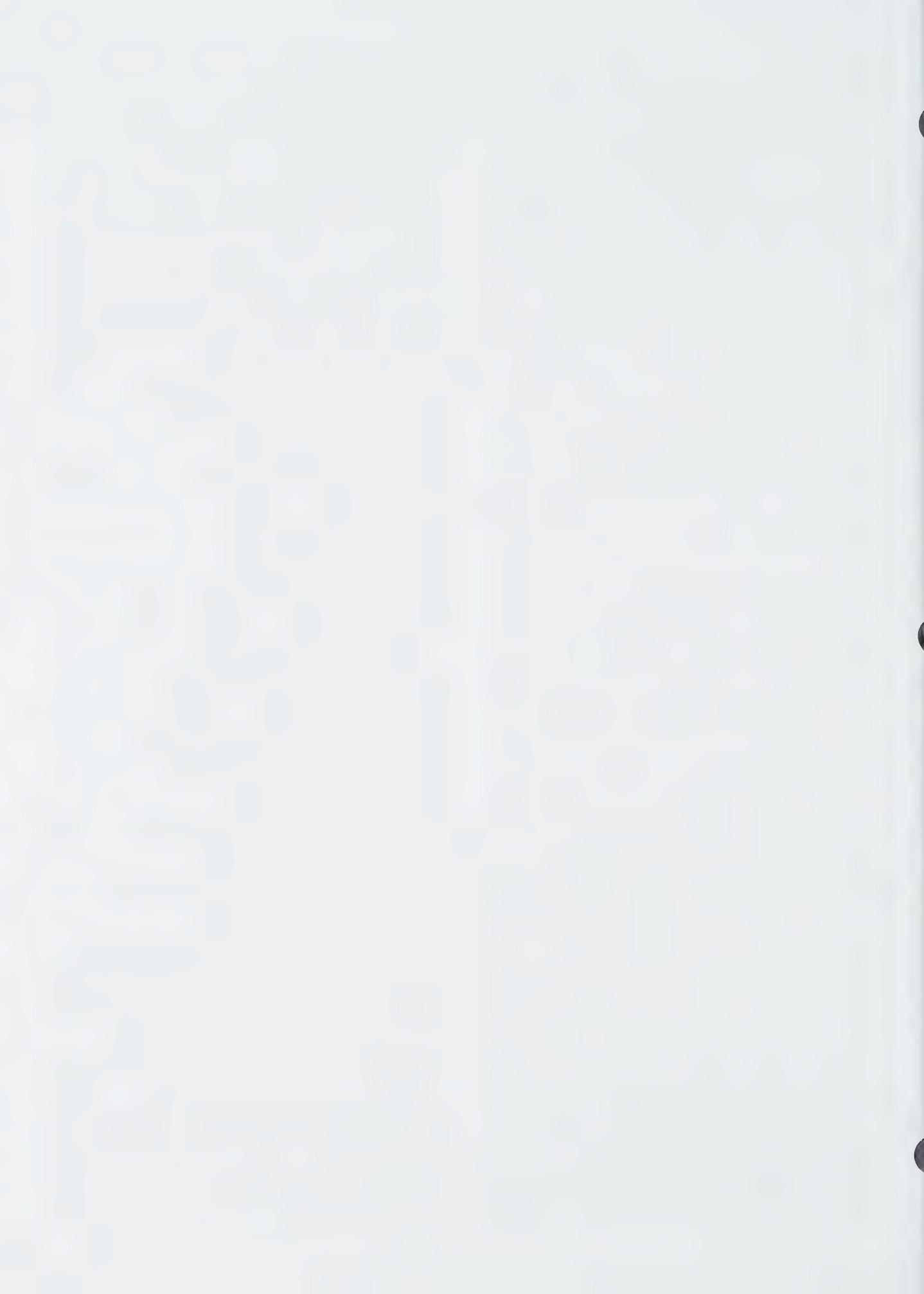
Hudak, Nicholls.

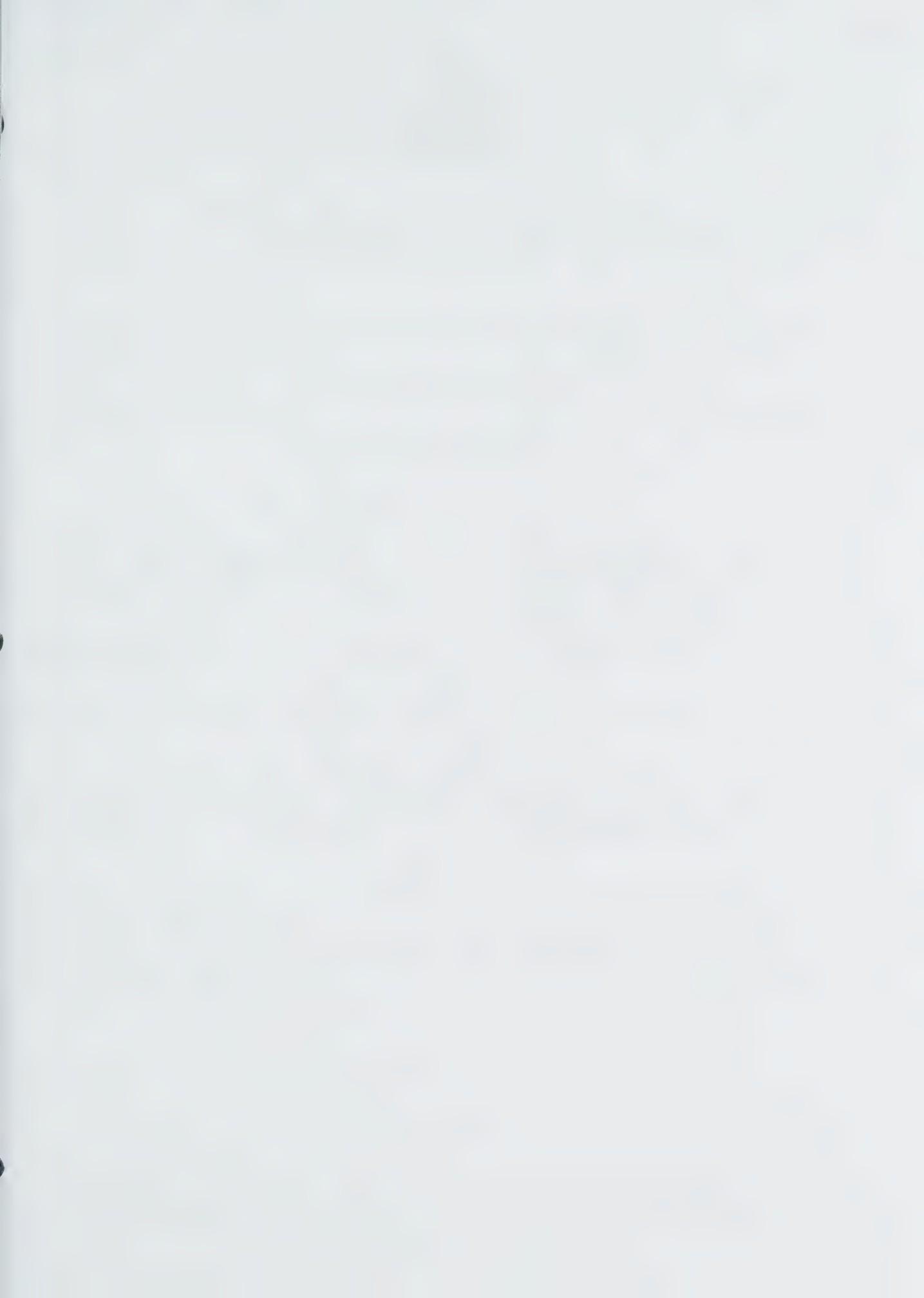
The Chair (Mr. Peter Tabuns): The bill is carried.

Last item: Shall I report the bill to the House? Yes. Carried.

The committee stands adjourned.

The committee adjourned at 1559.





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Monday 1 June 2015

Journal des débats (Hansard)

Lundi 1^{er} juin 2015

Standing Committee on
Social Policy

Comité permanent de
la politique sociale

Provincial Framework
and Action Plan concerning
Vector-Borne and Zoonotic
Diseases Act, 2015

Loi de 2015 sur le cadre
et le plan d'action provinciaux
concernant les maladies
zoonotiques et à transmission
vectorielle



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 1 June 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALELundi 1^{er} juin 2015*The committee met at 1400 in room 151.*PROVINCIAL FRAMEWORK
AND ACTION PLAN CONCERNING
VECTOR-BORNE AND ZOONOTIC
DISEASES ACT, 2015LOI DE 2015 SUR LE CADRE
ET LE PLAN D'ACTION PROVINCIAUX
CONCERNANT LES MALADIES
ZOONOTIQUES ET À TRANSMISSION
VECTORIELLE

Consideration of the following bill:

Bill 27, An Act to require a provincial framework and action plan concerning vector-borne and zoonotic diseases / Projet de loi 27, Loi exigeant un cadre et un plan d'action provinciaux concernant les maladies zoonotiques et à transmission vectorielle.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. We're here for public hearings on and clause-by-clause consideration of Bill 27, An Act to require a provincial framework and action plan concerning vector-borne and zoonotic diseases. Please note that copies of all written submissions received to date are distributed to the committee today.

Each presenter will have up to five minutes for their presentation and up to nine minutes for questions from committee members, which will be divided equally among the three parties; the first rotation will be with the official opposition. For those who are presenting, about 15 seconds before you're due to wrap up, I'll ask you to wrap up, we'll end and we'll go on to the next piece.

ONTARIO LYME ALLIANCE

The Chair (Mr. Peter Tabuns): Our first presentation: Kim Kerr. Ms. Kerr, if you'd have a seat and introduce yourself for Hansard.

Ms. Kim Kerr: Hi. My name is Kim Kerr. It was missed on the sheet that I am a member of the Ontario Lyme Alliance.

After 10 long years of fighting Lyme disease, I'm here today as a recovered Lyme disease patient, a patient advocate and a Lyme educator. The Canadian medical system and its current Lyme disease guidelines failed me, as it does so many Lyme patients in Ontario. We are abandoned and left to fend for ourselves.

I recognize that Bill 27 was written to bring positive change for Lyme disease patients. But without the inclusion of informed patients, scientists and medical experts, this legislation will result in no more than the status quo, preventing the progressive change so desperately needed for Lyme patients and our society. All the same testing and treatment guidelines for Lyme disease will continue to be used. None of the current evidence-based science which reflects a very different approach to Lyme disease will be adopted.

Equal participation by representatives of patient groups, along with international Lyme disease medical experts, is essential. It will ensure the framework and action plan on vector-borne and zoonotic diseases will begin to resolve the issues relating to Lyme disease and other tick-borne infections.

Our current Lyme disease testing is recognized as being unreliable. To quote from the Public Health Agency of Canada's website, "All lab tests have a margin of error which is why Lyme disease should be diagnosed by a doctor clinically first and foremost."

However, this being said, infectious disease doctors still refuse referrals from GPs without a positive Canadian test result. We have many examples of this in writing. For years, unknown numbers of Lyme patients have gone undiagnosed because of this flawed Canadian testing.

Early diagnosis and treatment, with the appropriate antibiotic protocol, can stop Lyme disease in its tracks. Left untreated or inappropriately treated, the outcome can be deadly. Lyme disease progressively spreads throughout the body, affecting joints, organs, tissues, the central nervous system and the brain, leaving nothing untouched.

Misdiagnosis is common for Lyme patients. They are incorrectly told they don't have Lyme disease, but instead are labelled with a multitude of other diseases, such as fibromyalgia, MS, Parkinson's, and the list goes on.

When I suspected I had Lyme disease, even though the Canadian tests and doctors said I didn't, I ordered and paid for an alternate Lyme test done by a very reputable California lab. This test came back positive for Lyme disease, but even with that positive result, there were no medical professionals willing to see me or who had the expertise to treat what had now become late-stage Lyme. With the lack of proper medical care here in Ontario, I became critically ill. I, as many other Lyme patients, was on my own.

Although I was terrified to leave the Canadian medical system and enter a foreign system, it was the best decision I could make to pursue treatment by an American doctor who had the experience and expertise needed for treating late-stage Lyme. She saved my life using a much different set of treatment guidelines. The disturbing thought is that this same life-saving treatment is not even an option here in Ontario.

Due to the out-of-pocket expenses of travel, consultation fees and prescriptions, American treatment is not an alternative for many Canadians. For those who can't afford it, their lives are taken from them. Our medical system fails the Lyme patient, resulting in chronic illness, unemployment, disability, family breakdown and financial ruin.

This is an all-too-common Lyme patient story. This cycle of devastation can be stopped by updating the medical guidelines for Lyme disease using current, science-based research, and ensuring that best practices for testing and treatment approaches are used. We, the patients, our advocates and science experts need to be equal partners in the process of Bill 27 to ensure this happens.

I'm a proud Canadian, knowing that throughout the world we are seen as leaders in so many areas of medicine, but at the same time, I am angered at the failure to help Lyme patients.

Every Ontarian is equally at risk. Our numbers are rapidly increasing as the number of infected ticks being found in our province climbs, placing a health crisis at our doorstep. This can only be stopped with changes to our Lyme treatment guidelines—

The Chair (Mr. Peter Tabuns): Could you please wrap up?

Ms. Kim Kerr: —that will provide appropriate testing and treatment options.

In your recommendations for Bill 27, please consider the need for patients' and Lyme experts' representation in the process of setting the provincial framework and action plan. This is—

The Chair (Mr. Peter Tabuns): Thank you. I'm afraid you've run out of time. We go to the opposition. First question: Mr. Barrett.

Mr. Toby Barrett: I'm sorry there isn't a lot of time for deputations. Thank you, Kim. You made mention that none of the current evidence-based, science-based research is being applied. There is one attempt, through this legislation, to essentially enable or empower the Ontario government to focus more on research, to find out some of the answers.

I'm a firm believer in neutral, objective research. Presently, there is no legislation to do that. This is one step. It doesn't come up with the solution. But as we wade through this, hopefully it's a good exercise to try and get around so much of the conflicting medical and scientific views.

Mainstream medicine in Ontario, I think you've suggested, is kind of caught one way. Maybe they didn't study this in medical school a number of years ago.

Ms. Kim Kerr: No, they did not.

Mr. Toby Barrett: It was the nature of emerging infectious diseases.

On the other hand, on the Internet—and in my riding, we've been dealing with this for about 20 years now. There is a lot of stuff on the Internet that suggests some dubious approaches as well. Hence, we have government for a reason.

In your limited time, any further suggestions? What should government be doing?

Ms. Kim Kerr: The government needs, most importantly, to use Lyme-literate doctors who have the expertise in treating and seeing patients successfully recover from the disease. We've got to bring in the experts who are first-hand. They have the experience, and they've seen the results. It's so very important to make sure they're included in the process.

Mr. Toby Barrett: Diagnosis and treatment, and management after that.

Ms. Kim Kerr: That's correct.

Mr. Toby Barrett: Okay. I don't have any further—

The Chair (Mr. Peter Tabuns): Thank you, Mr. Barrett. We'll go to the third party: Mr. Mantha.

Mr. Michael Mantha: Hi.

Ms. Kim Kerr: Hi.

Mr. Michael Mantha: I've got a very important question. Did you take the challenge?

Ms. Kim Kerr: Yes, I did.

Mr. Michael Mantha: Good. I hope everybody in this room took the challenge. That's the Lyme challenge.

I just want to start out by saying hello to Paige Spencer. To the committee: She's at home, unfortunately. She would have wished to be here today. She's a wonderful 21-year-old young woman with Lyme disease who has been misdiagnosed for 14 years. She has got a written submission. Please take the time to look at it.

Is there anything in your comments that you didn't get a chance to share?

Ms. Kim Kerr: No, it was actually timed just about right. I have one more sentence, just saying—

Mr. Michael Mantha: Finish that sentence.

Ms. Kim Kerr: You caught me off guard, there.

All I was saying was that we need to work together, setting the provincial framework in action together. This is the one essential step to ensure that the greatly needed change for Lyme disease patients and society will take place. It's not just us.

1410

Mr. Michael Mantha: I've got one follow-up question: Why was your testing that was done here in Canada negative, and found to be positive when you went to the US?

Ms. Kim Kerr: They have a slightly different test. The biggest challenge with Canadian testing is that there are over 100 different strains of the bacteria that cause Lyme disease. Our test tests for one strain only. When you go down to the States, their testing is broader, and therefore they catch more cases.

We also have a two-tier system; although you test positive on your first test, being the ELISA test, we then run a second test to confirm, being the Western blot. The challenge, of course, is that the first test is so faulty that it's almost impossible to get a positive test on that first one, the ELISA.

Mr. Michael Mantha: Why is our first testing so faulty?

Ms. Kim Kerr: It's something that has been set by the Public Health Agency of Canada. It's something that needs to be reviewed, and we need to look at the best practices out there to make sure that Lyme disease is caught early.

If you catch Lyme disease early and identify it, it's \$50 of antibiotics. You're fixed, and you're better. If you don't catch it, and it goes through your body, you are in a lifetime of chronic disease, draining our health care, draining your personal finances and relationships. The aftermath is just devastating.

We need to identify and get the testing right so that we are treated and we are taken care of. End of story.

Mr. Michael Mantha: And that antibiotic—is there one specified, or are there various ones?

Ms. Kim Kerr: It varies. Truthfully, I don't want to get into a lot about treatment; I am not a doctor.

The Chair (Mr. Peter Tabuns): You need to start wrapping up, I'm afraid.

Ms. Kim Kerr: Yes. I'm not a doctor. There are more people coming following me who have far more expertise in that area.

Mr. Michael Mantha: So your suggestion is to bring stakeholders together, get to the answer and start really looking at educating Ontarians in regard to Lyme disease? That's what you're saying?

Ms. Kim Kerr: And prevention efforts. You're right.

The Chair (Mr. Peter Tabuns): We go to the government. Mrs. Mangat? No? Mrs. Martins.

Mrs. Cristina Martins: First of all, I just wanted to thank you, Ms. Kerr, for taking the time to come here today to speak to the committee. I wanted to thank you for all the work that you've done, even when you were suffering with Lyme disease, to go around the province and be at various events to raise awareness for Lyme patients. I wanted to thank you for that, for being a strong advocate for other Lyme patients.

I guess the question I have is—I think you touched on this a little bit—in terms of the importance of educating Ontarians on the dangers of vector-borne diseases such as Lyme disease, and why it's important that they understand what the risks are of developing these diseases in contact with ticks and mosquitoes.

Ms. Kim Kerr: I'm dealing with it, but I look at our young people of Canada; they're outside. We're an outside country. We love the outdoors. When we're outside, we need to know what to watch for as far as ticks and tick bites. If you get one, take immediate action. Educate them, so we don't have these chronic cases that destroy lives. We've got a great people in this country.

Let's protect them, educate them and teach them the steps to prevent a chronic disease that is preventable.

Mrs. Cristina Martins: I know that provincially we're partnering with the Public Health Agency of Canada in terms of trying to raise that awareness, as well. I'm the mom of two young boys, and last week I got an email from the school secretary with a letter from public health that actually alerted the parents on Lyme disease, how to be careful, and also on West Nile virus and buckets of water. So there is a little bit of awareness being spread out there, and education in terms of being aware of these diseases.

I guess in terms of the passage of this particular bill, if you could just speak to why it would be important to you and other Lyme patients with whom you've connected, and what their response is to this.

Ms. Kim Kerr: I think the big thing that is so encouraging is that when I started this struggle, nobody even knew about Lyme disease. I'd say, "I had Lyme disease," and they'd look at me like, "Is that a drink problem?" They weren't sure.

To see this bill go forward, that we're going to take a look and try to figure out how to tackle this problem to prevent future suffering and future chronic cases, is a huge step forward that needs to be taken for the people of Ontario. Nobody is excluded. The ticks are being found everywhere, including in the city, on dogs. It's not a rural problem.

The Chair (Mr. Peter Tabuns): You need to start wrapping up, I'm afraid.

Ms. Kim Kerr: It's important. It's for everyone.

Mrs. Cristina Martins: I just wanted to say once again thank you so much, and thank you for being such a strong advocate.

Ms. Kim Kerr: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Kerr.

Ms. Kim Kerr: Thank you for your time. I really appreciate it.

CANADIAN LYME DISEASE FOUNDATION

The Chair (Mr. Peter Tabuns): Our next presenter is Jim Wilson, president of the Canadian Lyme Disease Foundation. Mr. Wilson, you're coming to us by teleconference?

Mr. Jim Wilson: Yes. Thank you for allowing CanLyme to discuss our concerns on Bill 27 as they relate to Lyme disease, the fastest-growing zoonotic disease in the globe.

First, who are Canadian Lyme disease patients? Well, look to your left and to your right. Lyme disease patients in Canada can be all of us: politicians, children, the elderly, PhD scientists, professors, engineers, lawyers, physicians, outdoor workers, pharmaceutical employees, chief executive officers, firefighters, police, armed forces personnel, and mothers and fathers at home. Collectively, we are an intelligent group, immensely capable of weighing the medical evidence used to direct our health care,

yet we have been ignored in provincial legislation for decades. It is the provinces who drive health care delivery, and it is in provincial legislation that the patients need to be stated as partners, not just commenters on policy that was developed without them, as has been the situation for decades.

Two years ago, the United States government admitted a huge mistake. There were not 30,000 yearly cases of Lyme disease; there were 300,000 cases per year, severalfold that of AIDS and West Nile combined. The clear message on the Lyme file was and is to this day that it was terribly mismanaged. Canada has a serious, similar problem, spanning decades. We patients were sounding alarms for three decades but were ignored. The present testing protocol used in Ontario will be a false negative every time if that person has one of the many strains of Lyme bacteria that are not able to be picked up by the current testing model. Currently, a review is under way of that poor testing and treatment policy by the very same people who wrote it, including those Canadians. Alarmingly, they have stated publicly they see very little change.

Last week, doctors and nurse practitioners were given a lecture by Niagara region public health officials on ticks and Lyme disease. What was being taught was to prescribe one single dose of doxycycline antibiotic for a black-legged tick bite if given within 72 hours of the bite, which is three days. Animal model studies, on the other hand, have shown us that when this treatment is initiated within the first day, there is a one in four failure rate. That could be your child. After 24 hours, only one of two had success—a 50% failure rate—and the treatment was totally ineffective after 48 hours. Doctors in Ontario are not given this information and are being directed to partake in a horrible experiment that will cause harm.

Scientists are also alarmed at this single-dose treatment because it will drive antibiotic resistance horribly. Resistance is largely a phenomenon of insufficient antibiotic that will not kill bacteria. We carry many organisms that will learn from this small taste of antibiotic, passing it on to their offspring. We cannot overstate the seriousness of this policy. Had we been involved, a very broad discussion of the science and consequences would have transpired prior to implementing such a dangerous treatment protocol.

There is nothing to fear and only good to gain in having patients equally represented at the table. We come with a great deal of expertise and professionalism. Every policy developed affects all of us and our surging health care expenditures, which are drawn from our tax dollars. Ontario can lead the nation by legally requiring patients and their experts to be brought in as equal partners. This will come; why not now?

Bill 27 needs amendment to perhaps narrow the scope of the diseases covered and to include patients in the wording, or it should not pass. Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Wilson. We go now to the third party for the first round of questions. I'll tell you when you're running out of time. Mr. Mantha.

Mr. Michael Mantha: Mr. Wilson, did you take the challenge?

Mr. Jim Wilson: I did, yes.

Mr. Michael Mantha: Fantastic. Congratulations.

I'm just reading off Mrs. Paige Spencer's letter that she gave to the committee, a written submission. It says that while she was labelled with depression, anxiety, PTSD, psychosis, chronic fatigue, IBS, a variety of fibromyalgia, not including a plethora of doctors telling her problems that she had psychologically, many stating that she had physical problems, "but I was either going crazy" or she was a pretty girl looking for attention.

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Is this a common theme that you see amongst Lyme patients who are dealing with their doctors?

Mr. Jim Wilson: Absolutely, and it's coast to coast and it is continuous and increasing.

Mr. Michael Mantha: Why do you believe that happens? Why is it that doctors look at individuals in this scope?

Mr. Jim Wilson: There's a lot of misinformation that is in the medical literature that needs to be corrected. Doctors are often functioning on short tidbits of information because they have a 15-minute window within the appointment to draw some conclusions. So they need much better information, and we certainly have to start providing that within the physician-patient relationship. There's got to be more open discussion.

When patients come into the doctor's office and those types of diagnoses are thrown out there, there's got to be more vigorous discussion going on about how those diagnoses were arrived at and what other diagnoses overlap, the symptomatology. I think that's where we're not looking at Lyme disease. Lyme disease, for many of these diagnoses that are given, should be absolutely at the very top of the list when doing the differential diagnostic workup. Unfortunately, it's often not even on the list.

Mr. Michael Mantha: I think I'm being stared at by the Chair saying that I have about 30 seconds.

In your comments, you talked about narrowing the scope of this bill. What is it that you were looking at narrowing?

Mr. Jim Wilson: I think zoonotic diseases, the way it's worded—that is vast. That covers everything. I think it may be more effective if it could be focused down to tick-borne diseases, perhaps, and then also by amending and adding the specific wording to—

The Chair (Mr. Peter Tabuns): I'm afraid you're going to have to wrap up.

Mr. Jim Wilson: —include the patients, their advocates and the science experts as equal partners.

Mr. Michael Mantha: Thank you very much, Mr. Wilson.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Wilson. We now go to the government. Mr. Anderson.

Mr. Granville Anderson: Thank you, Mr. Wilson, and thank you for your presentation. Your organization has done a great degree of work in supporting those suffering from Lyme disease by helping to bring

awareness of the disease to the medical community. How will this bill help your organization further its goal?

Mr. Jim Wilson: I don't think it will, unless it's amended to specifically name the patients and their experts and advocates as recognized equal partners in the health care process. If it's left as it is, it's really just more of the same. When I say the patients have the expertise, I seriously mean that. We're working with scientists on four different continents. We have microbiologists and physicians and other scientific experts with Lyme disease right now in Canada who cannot get treatment in Canada. So we have got to be taken seriously or this bill is not going to have the impact that we would like it to have.

Mr. Granville Anderson: Mr. Wilson, Mr. Mantha and yourself spoke earlier about narrowing the scope. I'm not sure you're aware that our government has proposed an amendment to do just that. Could you elaborate some more on what narrowing the scope would mean towards people suffering from Lyme disease?

Mr. Jim Wilson: I think the bill is going to have more effect if it's not so broad, because zoonotic disease is just a huge, huge, huge aspect of infection. By narrowing it down to tick-borne disease, at the least the focus can be on certainly what we represent.

Often Lyme disease is accompanied by other tick-borne diseases, and that can confound the diagnosis and the treatment. Also, some of these tick-borne infections are stand-alone infections. They don't come with Lyme; they are their own disease. They, too, have serious consequences for the individuals.

I think by narrowing the focus of the bill towards tick-borne disease, that will give the bill greater strength, from our perspective, so long as the patients and whatnot are named in there.

The Chair (Mr. Peter Tabuns): If you could wrap up, Mr. Anderson.

Mr. Granville Anderson: Thank you, Mr. Wilson. I found this to be very enlightening. I'm sure, as the debate continues, we'll hear further on this matter. Thanks very much again.

Mr. Jim Wilson: Thank you.

The Chair (Mr. Peter Tabuns): To the opposition, Mr. Barrett.

Mr. Toby Barrett: Thank you, Mr. Wilson. You indicated that Lyme is the fastest-growing zoonotic disease on the globe. About this time last year—in fact, every year about this time, Public Health Ontario releases their report, and they give a rundown on identified cases of various vector-borne diseases, for example.

With respect to Lyme, they included the probable cases, and the number they came up with is 185. There are actually more cases of malaria in Ontario than Lyme; there are 220. I see here there are actually more cases of West Nile, which is quite a ruckus, certainly down in my riding. I'm down along Lake Erie: Long Point, Turkey Point. West Nile comes in at 239 cases. They've identified Lyme, including probable cases, as 185—less than the others. There's no yellow fever in Ontario, for example. That's something that I find odd.

I know in the legislation we are asking to beef up surveillance. You made mention that there are officially 30,000 cases in the US. Now they're looking at 300,000 cases. I just wondered if you had a comment on this. This is what we're getting from the Ontario government.

Mr. Jim Wilson: I commented before that, unfortunately, because of the education given to physicians on all matters Lyme disease, most cases are completely missed, not even considered as a probability. That number they're giving you does not reflect the reality at all. In fact, you could easily multiply that number tenfold.

Mr. Toby Barrett: Yes, I wondered. Now, they do say they've included probable cases.

As far as narrowing the scope of the legislation, later today we will be discussing amendments. There is a government amendment to eliminate the word "zoonotic" and to focus just on vector-borne—not strictly tick. Vector-borne would include mosquitos as well, again, with respect to West Nile. It looks like that will be going forward. As the person who originally drafted this legislation, I would agree with that. The original goal of this legislation was to—

The Chair (Mr. Peter Tabuns): Mr. Barrett, if you could wrap up.

Mr. Toby Barrett: Very simply, 10,000 people died of Ebola last year. We will be deleting Ebola from this legislation if that amendment goes through.

The Chair (Mr. Peter Tabuns): Mr. Wilson, thank you for your time.

ONTARIO LYME ALLIANCE/ HAMILTON LYME SUPPORT GROUP

The Chair (Mr. Peter Tabuns): We go on to the next presenter: Jeanne Pacey. As you've seen, you have up to five minutes to speak, and there will be three minutes of questions from each party. I'll give you notice when you're getting to the end of your time. If you'd identify yourself for Hansard.

Ms. Jeanne Pacey: My name is Jeanne Pacey. I formerly worked in community development and downtown redevelopment for the city of Hamilton and the city of Brantford. However, I was forced to stop working because I became so sick in 2006. Doctors in Ontario told me I was probably suffering from fibromyalgia, chronic fatigue syndrome or complex post-traumatic stress disorder, none of which actually fit my symptoms.

I had been bitten in 1997 in Algonquin park—no bull's-eye rash, but I did have symptoms. I saw many specialists and many visits to the ER. All doctors who saw me wanted to pigeonhole me into a diagnosis that didn't quite fit.

In 2005, I was hiking in the Royal Botanical Gardens in Burlington, and I was bitten several times by many poppy seed bugs which I scratched off my leg. The symptoms continued.

In 2006, I was hiking in Hamilton conservation area off Mohawk Road in Hamilton, and I was bitten again; however, this time the tick crawled under my skin and

was there for a few days. After I discovered it, I dug it out. It was still alive. I did have a rash. It looked like I had an allergic reaction. My family doctor did not know what to do or what it was. No treatment was given. So I kept searching for a diagnosis. Meanwhile, I was becoming more and more debilitated.

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Finally, in 2011, a naturopath suggested I pay for an American Lyme disease test, because he said the Canadian test, which I had three times—negative—was less reliable.

My test result was CDC-positive from the USA, which would have qualified me for treatment had I been a US citizen. I was so relieved because I presumed my doctors would treat me, and I would soon recover. Instead, I was shocked to discover that the Ontario health care system was going to deny me the treatment that I desperately needed.

You should know that I would not be here today if I had not resorted to paying—and remortgaging my home, as a single parent with two children—for treatment in the United States.

The members of my Lyme disease support group all have similar stories about how their physicians never diagnosed them with Lyme disease. Hundreds of patients in Ontario have never received an early diagnosis, and so they did not get antibiotic treatment right after their tick bite, which is the only way to prevent this illness. These patients go untreated, develop complex symptoms of late-stage Lyme and are soon unable to attend work or school. They use up a huge amount of Ontario's health care resources, as they are sent wandering the medical system, being referred from doctor to doctor, undergoing test after test and never finding an accurate Lyme diagnosis.

Why is this happening? Well, Canada has adopted the American guidelines for Lyme disease published by the Infectious Diseases Society of America, also known as the IDSA. Those guidelines restrict doctors to prescribing antibiotics for no longer than 28 days. The guidelines also deny the existence of late-stage disease, so I would not have received treatment.

We should be developing our own set of Lyme guidelines or adopting an alternative set of guidelines that are available and which were used in my treatment. The other Lyme guidelines are authored by another group of physicians in the United States, and they do consider recent scientific studies. These doctors found that the patients responded much better when they extended the length of antibiotic treatment and used a variety of antibiotics. This group is called the ILADS. There are a growing number of physicians who choose to follow their Lyme treatment guidelines and who received certification to do so.

Ontarians who have late-stage Lyme disease are forced to go to the United States to receive treatment from one of these doctors but have to pay out of their own pocket. Many patients cannot afford to go for out-of-country treatment, and they suffer terribly. I see them

regularly. The restrictions placed upon our physicians prevent the Ontario physicians from using the alternate guidelines.

I speak for patients when I say that the development of an action plan and strategy for Lyme disease must include representation by patient groups who are knowledgeable and experienced in supporting patients with late-stage Lyme. International experts who research Lyme disease and physicians who have been trained to appropriately treat Lyme disease must be included in the consultation process.

Thank you.

The Chair (Mr. Peter Tabuns): Thank you. We'll go to the first questions, then. Mr. Dhillon.

Mr. Vic Dhillon: Thank you very much for your presentation. Our government is proposing developing a provincial Lyme disease action plan, which will include a review and update of existing public awareness, education materials, guidance documents and tick surveillance protocols. As part of the action plan, Public Health Ontario will be reviewing and updating Ontario's 2012 technical report on Lyme disease prevention and control. We will be engaging with stakeholders to promote close alignment with Lyme initiatives at federal, provincial, and local levels. Your organization has supported this action plan and other Lyme disease initiatives.

The first question: How will this bill help advance the goals of Lyme patients and advocates like your organization?

Ms. Jeanne Pacey: I think, first of all, awareness: A lot of doctors are calling me in Ontario, asking for the public health alert showing that the ELISA test isn't positive. It's providing them with the sense that they can start to treat a little bit. A lot of our doctors don't know that there is alternative training. We have a doctor who was infected with Lyme disease who taught at McMaster medical school. He sees the same doctor that I do, because he said it's not taught.

We need to start talking. We need anything that advances the awareness to all of the stakeholders. There are so many pieces to this puzzle. There is the public health; there is our doctors.

Our support groups are run by volunteers like myself who are still in treatment and still sick. We're the ones who are helping those patients who have been lost in the system, who are suicidal, who are devastated because they passed it on through birth to their children, and we have an entire family that's sick. They're coming to me. I don't get paid for that. I sit and do that out of the fact that I couldn't live with myself if these people didn't get help.

There needs to be a support system. ODSP does not recognize—we have families who have spent everything and need treatment, and they can't even qualify for Ontario disability. I was one of those. I'm a municipal product. I took half a pension because I was misdiagnosed and not working, and no long-term disability for over seven years. As a single parent with two children in post-secondary, that was tough. I lived on less than \$12,000 a year.

Mr. Vic Dhillon: My next question is, what's the value of developing standardized education materials on vector-borne diseases such as Lyme for health care providers and members of the public?

Ms. Jeanne Pacey: It's twofold: Doctors need to understand that it's not a classic bull's eye. They need to understand that it's clinical, but if they are not trained, how can they help their patients? Their hands are tied.

There are a lot of rumours that go on in the medical community that Lyme doesn't exist. I've had an infectious disease doctor tell me not to come to his office because—

The Chair (Mr. Peter Tabuns): I'm afraid you're going to have to wrap up.

Ms. Jeanne Pacey: Sorry. The public schools: I can't tell you the number of children who are picking ticks off. The teachers don't know what to do with them. The parents aren't being notified, and then they can't get antibiotics right away.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Pacey. We'll go to the next questioner. Mr. Barrett.

Mr. Toby Barrett: Thank you very much for the work that the Hamilton support group does. As you know, a number of people from my area and south of Hamilton are helped by you. There are many others as well who go to Buffalo and elsewhere.

You talk about denying treatment and forcing people to go to the US, and it doesn't seem to be covered by OHIP. It doesn't even seem to be helped, say, through ODSP or other programs. We had a situation, maybe 25 years ago, where many people were going to the United States for alcohol and drug treatment—to Buffalo. I was involved in the field at the time. OHIP was paying for it; it was a given. They tightened up on that. They beefed up treatment programs in Ontario to accommodate that; the money drain, I think, was one reason. Again, how do we get around that?

Ms. Jeanne Pacey: We have no legislation. A doctor can't even make a referral to the US because it's just not even—Lyme doesn't exist. Had I not had another Lyme patient guide me—and I had to drive to Vaughan for my first support group.

I'll tell you, it was very difficult when you're feeling chronic pain, when you get lost driving because of the neurological aspect. I would not be here today. I would have either committed suicide or I would have been bedridden. I would probably be in an old-age home. It was very difficult. I am so grateful that I sought treatment. I'm here today. I'm functional. I'm back in the system. I'm not taxing our health care.

To have people be able to see that while we train our doctors, we need to be able to pay for them to go into the US for Lyme disease—we need better testing. We need better awareness in our schools. We need to catch it earlier so we're not at a late stage. We don't need people to get to where I was. We need to solve it at the beginning. But in the meantime, we have a lot of people who are like me: a lot of people who have been missed; a lot of children. That's our next generation. We have a

responsibility to make sure that our school system, our teachers, our conservation authorities, are all on the same page and we're not giving misinformation, because even if you go from support group to support group you're going to get different information. We need to unify that. We need to all be on the same page.

The Chair (Mr. Peter Tabuns): You have about 20 seconds.

Mr. Toby Barrett: As far as the personal cost, the cost to society, I think you made reference that it impacted your employment. The legislation is designed to try and capture the dollar figure on this. We certainly did that with SARS. That was, I think worldwide, a \$40-billion cost.

The Chair (Mr. Peter Tabuns): I'm sorry to say, Mr. Barrett, you've come to the end of your time.

Mr. Toby Barrett: Yes, I'm done.

The Chair (Mr. Peter Tabuns): We'll go to Mr. Mantha of the third party.

Mr. Michael Mantha: Did you do the challenge?

Ms. Jeanne Pacey: We did.

Mr. Michael Mantha: We did. I know we did.

A quick question for you: your doctor's visit.

Ms. Jeanne Pacey: Yes.

Mr. Michael Mantha: Why are the doctors—to my understanding, they're acknowledging it's Lyme but refusing to treat you for Lyme.

Ms. Jeanne Pacey: It's twofold: a GP who did not recognize all the symptoms of the third bite and the GPs that I saw in 1977. Had I been treated then, and then treated again on the two other bites, I wouldn't have lost employment. I might have been off sick a couple of weeks or a week maybe, but I wouldn't have lost employment. I would have had a full retirement pension from retiring this year. I worked 35 years for the municipality.

I'm sorry. I'm nervous and I lost my train. The second part of your question?

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Mr. Michael Mantha: Why are doctors—

Ms. Jeanne Pacey: Why are doctors—the second part was an infectious disease doctor. I saw five who would not see me. My doctor said she couldn't find any referral. She was afraid. She didn't understand the combination treatment. She didn't understand that plaquenil needed to be used with another antibiotic and what it did. I understand she just wanted to cover her backside by having an infectious disease.

My infectious disease doctor would keep me in his office for three hours and we would fight over whether or not he was going to co-sign my US prescriptions. I said to him, "Do no harm. If you don't sign these, I'm getting sicker." He said, "I'll follow you for a year," and I gradually got better. I had to fight with him at the one-year mark and say, "You need to co-sign my prescriptions." He said, "I don't believe you have Lyme. It doesn't exist. You don't have Bartonella. You don't have Babesia. You just need to start exercising more." We fought again, and then he said, on one visit, "Don't come

back. I feel you should be doing a full-time job." And I said to him, "Are you 100% positive that I don't have that bacteria?" Of course, the answer was no, he wasn't, but in his view, he was an internist and an infectious disease doctor and that we would see that I would become ill as time went on. I haven't.

I found alternative sources, I paid for my US prescriptions and I counsel Lyme patients and families for treatment because no one deserves to walk the journey that I've walked, or many others before me.

Mr. Michael Mantha: Do you have anything else you want to share with the committee?

Ms. Jeanne Pacey: Every Ontarian deserves treatment. We have a social responsibility to ensure our medical system and our departments are working together. If not, they don't deserve their job. There is a responsibility with each one of us here and every department. Any department that starts to refuse to meet and move forward, then maybe they need to go find another job.

Mr. Michael Mantha: Thank you.

The Chair (Mr. Peter Tabuns): Ms. Pacey, thank you very much.

LYME ONTARIO

The Chair (Mr. Peter Tabuns): Our next presenter is John Scott with Lyme Ontario. We have you by phone. Mr. Scott, you have up to five minutes to speak, and then we'll go three minutes to each party for questions. Please proceed.

Mr. John Scott: My name is John Scott. I'm a tick researcher. I have identified thousands of ticks that were collected from birds and mammals across Canada. Over the past 25 years, I have conducted tick and Lyme disease research and have published 21 peer-reviewed scientific articles.

The blacklegged tick—*Ixodes scapularis*, indigenous east of the Rocky Mountains—is the primary vector of the Lyme disease bacteria *Borrelia burgdorferi*. One of our latest articles revealed that migratory songbirds widely disperse Lyme disease vector ticks nationwide. Our study also found that 35% of the *Ixodes scapularis* nymphs are infected with *Borrelia burgdorferi*, and therefore a person does not have to frequent an endemic area to contract Lyme disease.

Our research also shows that migratory songbirds transport ticks into Ontario from as far south as Brazil. Some of these ticks are infected with a wide array of tick-borne pathogens. Not only are veterinarians finding Lyme disease; they are also seeing anaplasmosis and ehrlichiosis in companion animals. However, physicians in Ontario are ignoring this transporter movement of ticks on migratory birds and, likewise, the infections pathogens they carry. Migratory songbirds, which are heavily infested with ticks, can start a new tick population in a new location. At least 30 endemic areas have been detected across Ontario.

Over the years, I have studied several Lyme disease endemic areas. Despite our published research to show

the presence of *Borrelia burgdorferi* in these tick populations, warning signs are lacking in key areas. The Ministry of Natural Resources has done a poor job of erecting highly visible signs. For years, the park guides have not addressed the presence of *Borrelia burgdorferi*-infected ticks in their parks. Consequently, unsuspecting hikers and campers are bitten and contract Lyme disease in their parks. The local medical officer of health is responsible for ensuring that warning signs are erected. Failure to monitor these warning signs and make sure they are clearly visible is a violation of the Ontario Health Protection and Promotion Act.

Both my wife and I have persistent Lyme disease, so we live with debilitating aches and pains and fatigue every day—a journey through hell. We test negative with the Public Health Ontario laboratory; however, we are culture-positive and PCR positive through other reputable laboratories. As well, we are serologically positive through two US labs.

Like many Ontario Lyme disease patients, we have found that provincial testing is not reliable. Over the years we have found that the allopathic medical community is ill-informed about Lyme disease. Frankly, health care professionals live in a sea of ignorance about Lyme disease and associated tick-borne diseases. This vacuum in itself has been a horrendous hurdle and very draining. We have found that most doctors do everything possible to discount or dismiss Lyme disease. They get paid regardless. Hospital visits are no exception to this situation. Nothing changes. Families are destroyed.

We have a health care calamity in Ontario. There must be a paradigm shift in the diagnosis and treatment of Lyme disease in this province.

First and foremost, we need physician protection when they prescribe long-term antimicrobial treatment for Lyme. At least 13 US states have such legislation. The College of Physicians and Surgeons of Ontario is harassing and victimizing any physician who prescribes long-term antimicrobials for Lyme disease. Consequently clinicians are scared stiff that their regulatory college will come after them if they prescribe extended treatment. Naturally, they are afraid that they will be forced to give up their medical licence. Obviously, they steer away from Lyme disease and tick-transmitted diseases.

Ontario patients are in limbo and must—

The Chair (Mr. Peter Tabuns): Mr. Scott, if you could start wrapping up, please?

Mr. John Scott: Yes. I have two more minutes, and what I'd like to say is very important. I'd like to finish.

The Chair (Mr. Peter Tabuns): No, you have 10 seconds.

Mr. John Scott: They have to drag themselves across the border, all at their own expense, when our taxes pay for the OHIP system. This medical dilemma is unconscionable.

The Chair (Mr. Peter Tabuns): Mr. Scott, I'm afraid you're out of time on this. I'm going to turn you over to Mr. Barrett, who has the first round of questions.

Mr. Toby Barrett: I'll keep my comments brief, Mr. Scott. I appreciate your work on ticks. I have a farm. This

past weekend, for example, I picked up four ticks. I usually kill them. The last one I didn't kill, so I brought it to the committee today, if anyone wants to take a look at it. This is a dog tick; it's not the Lyme tick, but I know farmers in my area—one farmer had 200 ticks on him one day.

Mr. John Scott: Oh, boy.

Mr. Toby Barrett: You talk about the sea of ignorance with health care professionals. I'm tearing down a barn with a number of Amish fellows, and this was new information to them. A lot of this is new information to an awful lot of people.

Mr. John Scott: Yes.

Mr. Toby Barrett: This legislation does not provide physician protection. I'll turn it back over to you to finish your conclusion.

Mr. John Scott: You mean I can finish what I was saying?

Mr. Toby Barrett: Yes, please. Yes.

Mr. John Scott: The provincial public health technical report is full of erroneous information. There are at least 35 points that need to be deleted or revamped. In fact, it needs to be completely overhauled. For example, the statement, "To date, there is no convincing biologic evidence for the existence of" systemic "chronic *B. burgdorferi* infection among patients after receipt of recommended treatment regimens" for Lyme disease. This statement is completely false. I have compiled a list of 320 peer-reviewed scientific articles showing the persistence of *B. burgdorferi* in mammalian hosts, including humans, after conventional short-term antimicrobial treatment.

This technical report also states that a patient must live in or visit an endemic area to be identified as a confirmed or probable Lyme disease case. Based on our findings, this requirement is unnecessary and should be removed.

In order to have proper care for Ontario patients, we need evidence-based, patient-centred Lyme disease guidelines—such guidelines that combine medical evidence, patient values and clinical expertise. Patients must have input in their medical care, trustworthy policies, guidelines and research requiring the participation of patients. Without a seat at the table, patients' concerns fall on deaf ears.

I'm finished.

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The Chair (Mr. Peter Tabuns): Thank you very much. We'll go to Mr. Mantha, then, the third party.

Mr. Michael Mantha: Good afternoon, Mr. Scott.

Mr. John Scott: Good afternoon.

Mr. Michael Mantha: Did you take the Lyme challenge this month?

Mr. John Scott: The Lyme challenge? I have it all the time, so I have it every day.

Mr. Michael Mantha: We had a wonderful event here at Queen's Park to raise awareness of Lyme disease and the importance of getting a strategy for not only Ontarians, but setting the path forward for Canadians so that we could start treating Lyme disease patients and

their basic nightmare that they're going through each and every day.

My question to you is, there are many research kits that have been put out to the general public in order for them to amass ticks from their area, to have them sent in for testing. It has come to my attention—and I'm wondering if it has come to your attention—that some of these kits aren't being sent in and are basically not being tested, or they're being told, "Well, there are no ticks in your area normally," so they're just being told, "No." Is that an experience that you're having?

Mr. John Scott: Basically, I'm doing research. I get ticks from bird-banders and wildlife rehabilitators across Canada. I maybe get the odd one from patients.

I feel that these ticks off of people should be sent directly to Public Health Ontario and then dealt with, depending on the identification of the tick.

Personally, myself, I'm not involved in what you're talking about. What I do is identify the ticks and if they're a tick that is known to be a Lyme disease vector, then I send it for testing at a research lab in the United States.

Mr. Michael Mantha: According to the information that you have amassed, coming from the research field, there are ticks in southern Ontario, there are ticks in eastern Ontario, there are ticks in northern Ontario, there are ticks in western Ontario, and there are ticks across Canada.

Mr. John Scott: Yes.

Mr. Michael Mantha: Is that what your findings are?

Mr. John Scott: Oh, yes. I've identified 35 species of ticks that have been collected off of birds and mammals across Canada.

Mr. Michael Mantha: The repercussions to the doctors that you alluded to in your comments—I was wondering if you could add to those comments in regard to the concerns that doctors have with providing treatment to patients.

Mr. John Scott: We have encountered many physicians, not only on individual consultations but in the hospital, and basically, you mention Lyme disease and they move away from it. They'll do everything to move on to something else.

The Chair (Mr. Peter Tabuns): Mr. Scott, I'm sorry to say that we've run out of time with this questioner.

Mr. John Scott: Okay.

The Chair (Mr. Peter Tabuns): We're going to go to the government: Ms. Mangat.

Mrs. Amrit Mangat: Thank you, Mr. Scott, for your presentation. I really appreciate the work you have done as a research scientist.

Mr. John Scott: Thanks very much. Do I hang up now?

Mrs. Amrit Mangat: Yes.

Mr. John Scott: Oh, okay.

Interjection: No, no, no. Don't hang up.

Mrs. Amrit Mangat: No, no, no. I'm still asking you a question, and you're—

Interjection: He hung up.

Mrs. Amrit Mangat: Oh, my gosh.

Interjection: No, he's still there. I can get him back on the line.

The Chair (Mr. Peter Tabuns): Okay.

Mrs. Amrit Mangat: That would be nice.

Interjection: John? John? Just hold on a second. John, don't hang up. Pick it up again. They still want to talk.

Interjections.

Mr. John Scott: Oh, hello?

Mrs. Amrit Mangat: Hello.

The Chair (Mr. Peter Tabuns): Hello, Mr. Scott.

Mr. John Scott: Oh, I hung up. I guess I shouldn't have.

Mrs. Amrit Mangat: No, no, no. Nice to hear you back.

Your research has gone a long way to filling gaps in our knowledge about this disease. Your work was the first to identify raptor birds with Lyme disease and Lyme-disease-carrying ticks. My question is, can you tell us about your current research and how it is going to help prevent and treat Lyme disease?

Mr. John Scott: I don't think it's going to prevent it, because this problem is established in nature. The ticks are there. We're not going to control them.

I see it as an alarming thing, because I see quite an increase in eastern Ontario in particular. I'm also seeing some troubling spots in northwestern Ontario.

I know that it can't be stopped, and I know we can't stop the infections. But we have to come at this from the medical standpoint—to me, protecting the physicians from being harassed by the college so they'll get with it and start handling this problem professionally.

I mentioned 13 states in the United States that have physician protection. I think this is the only way to break down the door in terms of getting treatment for patients. It has to be set up so that the physicians can't be afraid to treat long-term if they need to treat long-term. They need that protection. I know if you go to the College of Physicians and Surgeons today, they'll tell you they don't harass physicians, but I have proof otherwise.

The Chair (Mr. Peter Tabuns): Ms. Mangat, if you could just wrap up.

Mrs. Amrit Mangat: How will Bill 27 help eliminate knowledge gaps and clear up misconceptions about vector-borne diseases?

The Chair (Mr. Peter Tabuns): I'm sorry to say that you brought it to the limit right there.

Mr. Scott, thank you very much for your contribution today.

Mr. John Scott: Okay, you're quite welcome. Can I hang up now?

The Chair (Mr. Peter Tabuns): Yes, you can, safely.

Mr. John Scott: Thanks. Bye now.

The Chair (Mr. Peter Tabuns): Goodbye.

G. MAGNOTTA FOUNDATION
FOR VECTOR-BORNE DISEASES

The Chair (Mr. Peter Tabuns): Our next presenter: Rossana Magnotta. I apologize if I've mispronounced it.

Ms. Rossana Di Zio Magnotta: No, you did a good job.

The Chair (Mr. Peter Tabuns): Good. Well, if you would introduce yourself for Hansard. As you've seen, you have five minutes. There will be three minutes for each party, and I'll give you a note when you're getting close to the end.

Ms. Rossana Di Zio Magnotta: I will try to keep to the agenda here.

Good afternoon. I would like to thank the committee for allowing me to present at these important hearings today. The challenge of being one of the last speakers is that we will try not to be repetitive, but if I mention certain things that have been said, I wish that they will be just a gentle reminder.

Bill 27 should not pass into law as written. It is far too broad, in that zoonotic diseases are vast in numbers. Also, Bill 27 represents the status quo of excluding the patient and their experts as stated partners in the process of setting a framework to develop a provincial strategy for zoonotic diseases.

I am the president and founder of the G. Magnotta Foundation for Vector-Borne Diseases, based here in Ontario. We recognized early on that there is a lack of human tissue study being undertaken using today's advanced technology.

There has been a great deal of important research done in Canada on ticks, but we urgently need parallel human studies done to determine the prevalence of tick-borne and other vector-borne diseases within the large and growing chronically ill population of Canada.

Ontario has a huge economic and social burden resulting from chronic illnesses of unknown origin. These illnesses have been defined by symptoms alone, and much money has been spent trying to develop medications to manage those symptoms.

Medical bureaucrats have allowed our current poor test to define the disease instead of allowing the infection to define the disease. We need to acknowledge the number of strains and new ones being found and then design a test that will do a better job in detecting all the strains that people are encountering both locally and through travel. Lyme groups like CanLyme and other similar organizations around the world have been trying to introduce better science to medical bureaucrats.

Examples of these chronic conditions of unknown origin are multiple sclerosis, Alzheimer's disease, chronic fatigue syndrome, fibromyalgia, Parkinsonism, lupus, various forms of arthritis and heart disease, bowel disorders, psychiatric disorders and many others. The cost to society and health care budgets is enormous in that it has been shown that the chronically ill population are one of the largest user groups of the health care system.

Many people who were eventually diagnosed with Lyme disease were initially labelled with one or more of those many other illnesses. Those individuals only recovered their quality of life as a result of treating Lyme disease effectively.

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What this has shown us is that a percentage of this chronically ill population have in fact an undiagnosed tick-borne disease, such as Lyme disease. The current status quo position on this is that chronic active Lyme disease does not exist, so there is no incentive to even look. This is a very disturbing situation for all of us and is not supported by the science. In fact, quite the opposite is the case.

Technology has advanced dramatically in the past decade, increasing our ability to extract DNA of micro-organisms from tissues and fluids like never before.

We at the G. Magnotta Foundation have been working with scientists in Canada and around the world, developing proper tissue recovery, handling and storage protocols so that human tissue studies can be done. As a result, we have a great deal of knowledge and expertise to aid in developing a provincial strategy.

If the patient organizations were more acknowledged in this process as equal partners, it would greatly reduce the time required to receive good results. These good results will help reduce the ever-increasing chronically ill population, which will in turn improve the quality of life for these patients.

This problem is seriously affecting our health care system, taxpayer-funded disability payment system, and the workforce. And it's destroying families, because thousands of cases are falling through the cracks. My husband, Gabe, was one of them.

Patients, their advocates and their experts must be represented and named as a group in legislation—

The Chair (Mr. Peter Tabuns): You're going to have to wrap up.

Ms. Rossana Di Zio Magnotta: I'm at the end—that will require government and medical authorities to work with us as equal partners in this process. Thank you very much.

The Chair (Mr. Peter Tabuns): Thank you very much. The first question: Mr. Mantha.

Mr. Michael Mantha: Thanks for coming, Rossana. Nice to see you again.

Ms. Rossana Di Zio Magnotta: Good to see you.

Mr. Michael Mantha: I just wanted to read out something to you from the consultation process of Mr. Barrett's bill. It says, "For the purpose of developing and administering the provincial framework and action plan, the minister shall consult with any other affected ministries, the agency, boards of health, the Public Health Agency of Canada, the federal government or any other persons or entities that the minister considers appropriate in the circumstances."

We're going to be talking about clause-by-clause later. There's a word that's going to be changed in there, which is going to be proposed by the sitting government, which is to change "shall" to "may."

Ms. Rossana Di Zio Magnotta: To "make"?

Mr. Michael Mantha: To "may." You talked a little bit earlier in regard to not having the proper individuals

coming to bring some testimony in regard to this bill. I want you to elaborate on that.

Ms. Rossana Di Zio Magnotta: The question again?

Mr. Michael Mantha: Who is not coming? Who is not included in this particular bill?

Ms. Rossana Di Zio Magnotta: I think that it would be more valuable, that there would be greater assurance to the taxpayers of Ontario, or Ontarians, knowing that groups like CanLyme, and even the G. Magnotta Foundation—there are lots of Lyme groups that can really add value to the conversations that the provincial government is going to be involved with. It would be a greater assurance to know that they're named in this, so that it's not broad. Make it more exact. We would rather see our names being mentioned, rather than "we shall" or "we will" or "we won't." It would make us feel a lot better if we knew we were at the table. We're doing a lot of work in this area; there should be no reason why we shouldn't. Even with the G. Magnotta Foundation, we've just got to the first level of ethics approval for the research protocol. We've got a lot of work to do here. It has been very, very challenging. Wouldn't it be nice if Ontario could lead the way here, if Ontario could be part of this? Because what we're missing is really understanding what the relevance is, what the prevalence of Lyme disease is in Ontario, and what the percentage of misdiagnosis is that has been going on in other diseases. No one can answer that question. We should be able to answer that question effectively and honestly, but we can't.

Mr. Michael Mantha: Just one last question: Did you take the challenge?

Ms. Rossana Di Zio Magnotta: Yes, of course I did.

Mr. Michael Mantha: Good. On the other question, I don't want to speak for Mr. Barrett, but I can almost assure you, on my behalf—and I know I won't be speaking on his behalf—that we will certainly make sure you are part of these discussions. I think it's very important to bring in everybody, and I mean everybody—patients, veterinarians, everybody—

The Chair (Mr. Peter Tabuns): Time to wrap up, Mr. Mantha.

Mr. Michael Mantha: —into the process. And there's nothing wrong with being repetitive.

Ms. Rossana Di Zio Magnotta: Good.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much. We go to the government: Ms. Albanese?

Mrs. Laura Albanese: Thank you for being here, Rossana. It's great that you could appear before this committee today.

As you mentioned, I know you have a personal and devastating connection to this disease, but I just wanted to say how inspiring all the work you have done so far has been to all of us. I know you're doing a lot to combat this illness despite the loss that you've had.

I know that in your foundation, the primary focus is also to establish Canada's first research centre. I'm wondering if you could speak to us a little more about how your organization plans to address vector-borne illness in our province.

Ms. Rossana Di Zio Magnotta: We said “vector-borne” because vector-borne is a huge area of science, but we’re focusing on Lyme disease first. I’m hoping that this research facility will last for generations to come. That’s why it’s got vector-borne written on the same title.

I’m working closely with Humber River, the new hospital that’s being built at 401 and Keele. They’re opening in the fall of this year. I’ve been working with their key executives for a while. It was a hospital that I worked at for a long time because my background was in microbiology. I worked in the medical field before I got into my business that I have right now.

I envision it as doing the research that will go on and on and on for many, many decades. That will be the first step. If you ask me how I’d like to see it, I’d like to see it as not only a research centre, but eventually being a treatment centre and a testing centre. Obviously, with research, we’re going to develop better testing, whether it’s with next-generation DNA sequencing or with genomics. But there will be some sort of testing protocol that will end up at the end of this research protocol.

At that point, we will have a better test. Because it’s a community hospital, we’re going to see those patients coming in right from the street level, and then eventually, being a treatment centre, like they’re doing in Europe or in the US, you come in, get tested, and if you’re positive, you’re treated. You are treated as an in-patient if you’re really, really sick or you’re treated as an out-patient if that’s more appropriate for the doctors.

I know it’s an incredible vision and it’s very exciting and it may be a dream at this point, but that’s where I see it going. That’s what I’m hoping will happen. I really believe, deep down, that if there is the will from the people and the will from the government—

Mr. Peter Tabuns: Time to wrap up.

Ms. Rossana Di Zio Magnotta: With money, anything can be done.

Mr. Peter Tabuns: Okay. Thank you very much.

Mrs. Laura Albanese: Thank you very much.

The Chair (Mr. Peter Tabuns): Mr. Barrett.

Mr. Toby Barrett: Thank you for the comments about the legislation being broad. There are amendments that we’ll be discussing later this afternoon that will narrow it down. Again, with legislation—this isn’t a Lyme bill, for example; it’s not just one disease. If we were doing this seven years ago, it would be West Nile. Now I travel around with a tick. Seven years ago, I had a dead crow in the trunk of my car. That’s what everyone was talking about in my riding, and concern with mosquitoes. We still have to be concerned with mosquitoes.

But things will be deleted. This was developed a year ago. I think even a year ago CNN was dominated by Ebola, not Lyme. People were talking to me about Ebola. It’s hard to pick diseases or decide which ones you’re going to work on and not others. That will be covered in deliberations later this afternoon.

It doesn’t mention patients. I wrote it. I guess I made the assumption our medical system is there for patients. I know when my uncle was a hospital administrator, he

would explain to me that the only purpose for that hospital was for the patients. With respect to doctors, the only reason we have doctors is to deal with patients. Now, if they have other priorities, if they’re not listening to their patients, I think we have a pretty serious problem there. I’m hearing suggestions of that with respect to the medical community in the province of Ontario. There are pretty serious allegations. Any comments on that?

Ms. Rossana Di Zio Magnotta: Yes. Actually, I think it has to start right from the education point when these doctors are coming out of school. The college needs to be much more comprehensive in training and teaching them more about vector-borne diseases or Lyme disease.

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There is no point in just talking about exotic diseases to these new doctors. You may get thalassemia—not thalassemia; you may be getting West Nile or you might be getting all kinds of exotic diseases in Canada, but we’re missing the one that’s here already. We are a country of valleys and trees and forests. We have a great environment for ticks to grow in, so why are we not focusing on what we have in our backyards?

These doctors need to be trained on it. If you look at their curriculum, there’s very little dedicated to that. We need to teach them a little bit more about what they’re going to be seeing in the real world.

The Chair (Mr. Peter Tabuns): You’re going to have to wrap up.

Ms. Rossana Di Zio Magnotta: Just one other thing: There’s not that much Ebola in Canada, but there’s tons of Lyme disease and we will show it to you.

The Chair (Mr. Peter Tabuns): I’m sorry to say you’re out of time.

Ms. Rossana Di Zio Magnotta: Okay.

The Chair (Mr. Peter Tabuns): Thank you for your presentation.

Ms. Rossana Di Zio Magnotta: It’s too bad. I love to talk.

Laughter.

The Chair (Mr. Peter Tabuns): It’s something that we all share in this room.

ONTARIO FIGHTS LYME

The Chair (Mr. Peter Tabuns): I’m going to the next presenter, Ontario Fights Lyme: Myrna Lee and Alicia DeCou.

Ms. Myrna Lee: Alicia’s not here.

The Chair (Mr. Peter Tabuns): Okay.

Myrna, you’ve seen how we’ve carried things forward. If you’ll introduce yourself for Hansard, we’ll start your five minutes.

Ms. Myrna Lee: I sure will. Hi. I’m Myrna Lee, communication director for the Canadian Lyme Disease Foundation and founder of Ontario Fights Lyme. I’d like to thank the hearing committee and organizers for providing me with an opportunity to meet some of the MPPs I’ve been stalking for the last few years and for allowing

me to advocate on behalf of Lyme disease sufferers across the country, my daughter, Alicia DeCou, included.

I'd also like to thank the many MPPs who have kept this issue alive in the House with motions, petitions and this bill: Mr. Toby Barrett, Mr. Mantha, and particularly Randy Hillier, my own MPP, whose dogged determination has served our cause well. The voters of Ontario are grateful and won't forget your support for this issue.

By now, you've heard the pros and cons of Bill 27 from my colleagues, but Parliament already has the authority to correct the most egregious errors in the testing, diagnosing and treatment of Lyme disease. So today, I'm here to ask you to influence the Minister of Health to please convey to the medical authorities what our government has seen fit to put in control of our destinies.

Please stop using the CPSO to further the unfathomable aims of the anti-Lyme lobby. Across Canada, the average of doctors investigated by the various colleges of physicians and surgeons is 2%. The average of doctors who are investigated who treat Lyme disease based on best practices and outside IDSA guidelines is 100%. Consequently, we have one medical doctor in Canada brave enough to continue to treat Lyme disease despite investigation and censure by the CPSO. In the words of the Lyme Action Group in their 2008 petition, "ensure that Ontario physicians are free to treat Lyme patients using internationally accepted protocols, without interference by the CPSO."

Please don't tell us we're crazy. We may be, but we are also physically sick. Unless you are our psychiatrist, please treat our physical illness, and the mental illness will probably be taken care of.

Please don't give us anti-depressants. We know that it will shut us up, especially if you give us the increasingly high doses that you tend to do, but it will not kill B. burgdorferi. If we seem depressed, it's because you keep calling us crazy when we are really sick.

You can recommend yoga to us as treatment and we will do it until we discover our yin yang, but it will not kill B. burgdorferi.

Tell your infectious disease doctors that the Western blot test that they studied in school back in the day is not the same as the version of the test that is used in Canada today. Some Lyme species-specific bands have been removed from the test. Canadians are paying private labs in the US that have returned those bands to the test in order to get an accurate test. Please refer to my handout for some elaboration of this situation.

Please don't tell people who have been bitten to look for the bull's-eye rash. There's good scientific evidence that at least 50% of people don't get any rash, and there are at least two other rashes that occur as regularly as the bull's eye.

Please get yourself educated by Lyme-literate practitioners and updated on science-based treatment regimes. Lyme disease is complicated. Lyme disease sufferers are dying. Please help us.

The Chair (Mr. Peter Tabuns): Thank you. Our first question goes to the Liberals. Ms. Martins?

Mrs. Cristina Martins: Thank you very much for coming in today and presenting. I just wanted to let you know that our government is committed to protecting the people of Ontario from Lyme disease. Actually, it was in the fall of 2014 that Ontario partnered with the Public Health Agency of Canada on a two-year plan, a Lyme disease pilot project, which is aimed to really enhance Lyme-disease-related resources available, educating people on what the disease is all about. We hope that this will also include a review and update some of these public policies that we have in place and public awareness materials that we have.

I guess my question is, how do you think this bill will support the surveillance plans that are already in place?

Ms. Myrna Lee: I'm not really sure that Bill 27 will do that. I'm kind of depending on the MPPs who have been working on it and the advocates who have been working behind it to ensure that the bill that gets passed will be effective. I think I'm with them in saying that unless we have patient advocates, Lyme-literate doctors and scientists who have actually been researching in the field as part of that bill, I'm not sure that it will make any really effective changes as it stands.

Mrs. Cristina Martins: Okay. And I guess the other thing—I'm sure that you're aware that the government is proposing to actually amend the scope of this particular bill so that we will only really be looking at the vector-borne diseases. I believe that's how it's planning to go. Do you see any risk of developing a single action plan to combat all zoonotic diseases instead of a unique, tailored plan that will specifically target the vector-borne diseases such as Lyme disease?

Ms. Myrna Lee: I think that narrowing the scope will make the bill more effective.

Mrs. Cristina Martins: Thank you.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much. Mr. Barrett?

Mr. Toby Barrett: Sometimes I don't have my hopes up as well, but I have a feeling this legislation may pass, maybe within a day or so, and it becomes enshrined in law. Our laws do provide direction. Now, it is difficult. My assumption is the physicians are a fairly strong lobby group. They do seem to dominate our system of health, or illness, if you will. The focus actually seems to be more on illness than health.

But this legislation essentially is coming from people, people I've talked to. As I said, it's not strictly a Lyme bill; it is very comprehensive. Our Minister of Health was probably getting more interview requests and questions in the House on Ebola than he was Lyme in the past year while this legislation was being debated here. It did receive all-party support.

I think the timing is very good. We have a Minister of Health who is not only a physician; he's also trained in public health and in infectious diseases. It's very hard to find a physician in Ontario trained in infectious diseases, unless they were trained in Jamaica. My physician was trained in Jamaica. I worked in the tropics and I could come home with various diseases. He was the only one who could diagnose.

So I think things are coming together. I'm feeling very positive. Again, I'd like to think that legislation does have an impact. That's really the only tool we have. The other tool is regulation. We don't get to vote on regulation, but that's where groups like yours can come in. I wanted to comment on that. The timing may be right.

Ms. Myrna Lee: I hope so. My experience and the experience of most Lyme patients, at least the ones who have contacted me, have been very, very poor with infectious disease doctors. My daughter was dying when I took her to the infectious disease clinic in Ottawa and that doctor told me he was 100% sure she did not have Lyme disease.

Since then, we have gone to a Lyme-literate doctor. It has been two years, but my daughter has finally gained back almost all of the 25 pounds that she lost, and she is looking forward to a future now, a future where she can actually work again, rather than living her life in pain in a wheelchair.

The Chair (Mr. Peter Tabuns): Mr. Barrett, you need to wrap up.

Mr. Toby Barrett: I'll leave it at that, I think.

Ms. Myrna Lee: Thank you.

The Chair (Mr. Peter Tabuns): Okay. Thank you. Mr. Mantha.

Mr. Michael Mantha: Ms. Lee, is there anything that you didn't cover which you'd like to share with the committee right now?

Ms. Myrna Lee: No. I think if it wasn't covered by me, it was covered by others here.

Mr. Michael Mantha: Sometimes we find that repeating things sink into one's mind. If there is a message that you would like to repeat today, what would that message be?

Ms. Myrna Lee: I think that we just have to really look and work with Lyme-literate people in order to get Lyme-literate change. We just always seem to be running into a huge wall of lack of knowledge and lack of research.

Research is another thing. I tell people who are contacting me all the time that we don't know the answers to most of the questions that we ask. What's the best treatment? We don't know. How likely is it that I'm going to get Lyme disease in this area? We don't know. Knowledge is going to be our strength moving forward with Lyme disease.

Mr. Michael Mantha: Where do we find those Lyme-literate people?

Ms. Myrna Lee: Right now, they're few and far between, because basically there's no incentive for a doctor to become Lyme-literate. As I said, we do have one Lyme-literate doctor in Ottawa. She is extremely well educated. She has worked with the University of Ottawa. In a minute, she would close her practice and start teaching doctors on Lyme literacy. She has said that she would.

Mr. Michael Mantha: One last question, Myrna: Did you take the challenge?

Ms. Myrna Lee: I'm glad you asked that. I have not, but I will be taking it at the Ride for Lyme rally in

Ottawa on June 18, when the two riders who are coming across Canada hit Ottawa. We're going to be at city hall whenever they arrive. I'll be taking the challenge, probably with—we hope—Elizabeth May, who has gotten Bill C-442 passed for us.

Mr. Michael Mantha: Good for you.

Ms. Myrna Lee: Thank you.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much.

Colleagues, our next two presenters are not yet available. I'm going to suggest that we recess for five minutes and return at 3:30. Because we'll be doing clause-by-clause at 4 o'clock, if you have amendments that you wanted to bring forward, if you can bring them forward soon so we can circulate them, that would be appreciated. Thank you.

Recessed until 3:30.

The committee recessed from 1523 to 1530.

The Chair (Mr. Peter Tabuns): The committee is back in session.

DR. TED CORMODE

The Chair (Mr. Peter Tabuns): We have the next presentation, by Mr. Ted Cormode, who is on the line. Mr. Cormode, you have up to five minutes to speak, and there will be three minutes of questions from each party. I'll give you a little reminder when you're coming to the end of your time. Please proceed and introduce yourself for Hansard.

Dr. Ted Cormode: Yes. Thank you for the opportunity to speak to your committee. I'm a retired pediatrician who had a consulting practice for 40 years in Ontario, during which I was a coroner for seven years and a member of the paediatric death review committee of the Office of the Chief Coroner of Ontario for 14 years.

Since my daughter's diagnosis with Lyme disease two years ago, I have read widely in an attempt to become informed about Lyme disease and its current controversies. The more I read, the more frustrated I became with the conflicting diagnosis and treatment recommendations. Then I read an interview with Dr. David Patrick, a professor of public health at the University of British Columbia, published in the Canadian Medical Association Journal in December 2014. The article was entitled "Lyme Law Uses 'Junk Science,' Says Expert." "Lyme Law" was in reference to the federal government's passage of Bill C-442, An Act respecting a National Lyme Disease Strategy.

In that interview, he referred to the issue of "duelling guidelines," that is, to the disagreements in diagnosis, treatment and investigations between the Infectious Diseases Society of America and the International Lyme and Associated Diseases Society. Both societies have headquarters in the USA; both have highly qualified experts. Here's the challenge: Both published evidence-based guidelines and policy statements that contradict each other. How can this be?

Dr. Pat Croskerry, professor at the department of emergency medicine at Dalhousie University in Halifax, published his research in clinical cognition and diagnostic care. He reports that “the majority of diagnostic failures, probably over 75%, can be attributed to physician thinking failure”—in other words, to cognitive bias.

Dr. Patrick, in his note to Carolyn Brown, the author of the CMAJ article on junk science, comments that “99% of serious scientist doctors who have been trained in microbiology and infectious disease stand with the evidence-based approach of the mainstream IDSA guidelines.” He does not give any evidence to support this figure of 99%, or clarify his definition of serious scientists and doctors.

Dr. Patrick is correct in identifying duelling protocols as a major factor in confusion and controversy surrounding Lyme disease. This is a serious problem for the practising front-line physicians trying to make sense out of conflicting information and claims. This problem will continue until the evidence-based treating of Lyme disease is supported by unbiased, well-designed research.

If both the IDSA and ILADS are composed of established scientists and doctors within their membership and board of directors, and if both societies carry out rigorous search in Lyme, then their conclusions should be somewhat aligned. They are not. The Minister of Health must support a fair representation of these disparate opinions.

I strongly recommend to the committee that Bill 27 include a directive that the Ministry of Health and Long-Term Care must include specialists from both sides of the duelling protocols debate.

The most recent guidelines of ILADS, published on July 2014, state in the preamble that “the evidence base for treating Lyme disease is best described as sparse, conflicting and emerging.” They go on to recommend “addressing the unique circumstances and values of individual patients” to maintain patient-centered care.

Dr. Bowie, a professor of infectious diseases at the University of British Columbia, in his presentation to the federal Senate subcommittee on Bill C-442, stated that subjective criteria should not be used to identify Lyme disease. Unfortunately, most individuals present with numerous subjective symptoms, including headache, fatigue, hearing and visual sensitivities, rather than objective signs, which would include fever, swollen joints, and, in less than 50%, a history of tick bite and a bull’s-eye rash. In medical school, it was stressed that a patient’s history was central to making a correct diagnosis. We were instructed to listen well to the patient’s account of their symptoms to document their story, including subjective symptoms, in order to consider their significance in the context of the individual. Otherwise, a physician is at risk of making wrongful assumptions regarding the diagnosis, to the detriment of the patient. I found this was often true in pediatric death reviews.

I have frequently attended meetings of Lyme support groups in Toronto and Victoria. Those in attendance were from all walks of life. Many were active people who

were no longer able to be active and whose quality of life had dramatically declined. I strongly recommend to the committee that Bill 27 include a directive that the Minister of Health and Long-Term Care must include representation from individuals with Lyme disease in the consultation process to develop an action plan—

The Chair (Mr. Peter Tabuns): Mr. Cormode, your time has come to the end.

Dr. Ted Cormode: I’m finished. Thank you.

The Chair (Mr. Peter Tabuns): I’m sorry; you’ve run out of time. I’ll go first to Mr. Barrett.

Mr. Toby Barrett: Thank you, Doctor. You mention that the federal legislation uses junk science. I haven’t heard that accusation yet on this one. That may come too, on this particular bill, Bill 27.

There’s no question, especially on social media, where so many of us seem to pick up information—and some of the suggestions are dubious, in my view. But we also know that there are allegations of shortcomings with respect to diagnosis amongst mainstream medicine as well. So there’s obviously a lot of work to be done, and not only on diagnosis, treatment and management.

This legislation does call for research, but as you pointed out, there are so many conflicting medical, scientific, political and social dimensions to this issue. I’m hoping that this legislation, at minimum, provides a forum or direction for the Ontario government to play a role in resolving some of these disputes.

If the experts can’t agree on things, I really don’t know what a hunter or a fisherman, or someone out in the field who is picking up ticks quite regularly—where do they lie?

I agree with what you’re saying. I’m hoping that this legislation, if it passes, does provide some direction not only to the Ontario government but to the various agencies associated with government.

Any comments?

Dr. Ted Cormode: Yes. Your comment about fishermen and hunters: It’s also the doctors who are seeing these people coming into the emergency or into their offices. I am trying to learn about Lyme disease.

The go-to people for Lyme disease information are the Infectious Diseases Society of America and the International Lyme and Associated Diseases Society.

At the end of the day, I cannot come away with a confident feeling that I know what to do for the patient that I’m seeing across the desk from me.

The European literature has been around for a lot longer, and they have more definitive things. But these two groups—the battle between the two of them is really muddying the water and making it very, very difficult for the family doctor or for the person in emergency trying to help one of these people to come up with a conclusion.

Mr. Toby Barrett: I will say—

The Chair (Mr. Peter Tabuns): You’re going to have to wrap up, Mr. Barrett.

Mr. Toby Barrett: For what it’s worth, this legislation didn’t pick sides. I don’t know about the federal legislation.

Dr. Ted Cormode: No, they did not.

Mr. Toby Barrett: They didn't pick sides?

Dr. Ted Cormode: No, not at all.

Mr. Toby Barrett: I'm not sure where the accusation of "junk science" came from.

Dr. Ted Cormode: Well, it's from the—

The Chair (Mr. Peter Tabuns): Thank you, Mr. Barrett and Mr. Cormode. We have to go to the next questioner, Mr. Mantha.

Mr. Michael Mantha: Mr. Cormode, how old is your daughter?

Dr. Ted Cormode: She is 42.

Mr. Michael Mantha: Children?

Dr. Ted Cormode: No children; no.

Mr. Michael Mantha: No children? A question I've been asking everybody: Did you take advantage and bring awareness over the course of the month of May to Lyme by taking up the challenge?

Dr. Ted Cormode: The ride for awareness of Lyme set out from Victoria. I certainly was there. I've spoken at a number of meetings. But when you say "taking the up the challenge," you mean—

Mr. Michael Mantha: Taking a bite out of Lyme.

Dr. Ted Cormode: Oh, yes. Yes. I have, and I've been very active in making people aware. I've had some very interesting stories to tell, for which there's not time to tell you here.

Mr. Michael Mantha: If you had a wish list—if you have the opportunity tomorrow morning to draft a list of individuals and stakeholders who should be participating at the discussion, who is around that table?

Dr. Ted Cormode: Number one would be a patient. You learn so much, sitting in on a patient support group. These are real people. They don't want to be sick. They're not malingering. Number one would be the patient.

Number two, you've got to get people from both sides or you'll just get one side of the equation, and that's what has been part of the problem all along: The one society seems to be a lot more dominant than the other.

Mr. Michael Mantha: Mr. Cormode, thank you so very much for bringing some of your comments to the committee here this afternoon.

Dr. Ted Cormode: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Mantha.

Mr. Anderson.

Mr. Granville Anderson: Thank you, Mr. Cormode, for coming forward. You have experience in the devastating effect of Lyme disease first-hand. How do you think this bill will support the medical community in diagnosing and treating Lyme disease patients?

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Dr. Ted Cormode: Yes, that's a tough one. I really think the Canadian Medical Association should be taking a much greater role in this. I know they've supported the federal bill. They've come on board supporting getting a national strategy—or, in this case, a provincial strategy.

Doctors have to feel comfortable in diagnosing Lyme based on clinical findings. That's strongly supported in the literature. The lab tests, if positive, support your clinical presentation. If negative, it does not mean you don't have Lyme. The medical profession is very uncertain about diagnosing people walking in with a list of symptoms and a history of tick bites. They want to see a positive test, and the testing is another huge issue altogether.

Mr. Granville Anderson: Previous presenters that came forward earlier today spoke about narrowing the scope, and it's something that our government has proposed to do so that we treat vector-borne disease, such as Lyme disease, separately from zoonotic diseases. Would you care to elaborate on that?

Dr. Ted Cormode: I'm sorry; the previous presenters said—

Mr. Granville Anderson: Yes, they agreed with the government position that we narrow the scope to treat Lyme disease.

Dr. Ted Cormode: Oh, narrow the scope.

Mr. Granville Anderson: Yes.

Dr. Ted Cormode: I guess Lyme disease is the most rapidly spreading of the zoonosis illnesses. I don't know why it should be. It's kept in isolation, though, but it really has to be brought front and centre. The whole issue of waiting for lab tests has got to be put well down the list. The important thing is a clinical diagnosis that comes across in your own ministry, the Ministry of Health Ontario, the federal ministry of health.

Lyme is a clinical diagnosis, and doctors need to be aware that it's okay to make a clinical diagnosis based on all the things that the patient is telling you: where they were in their history and where they travelled. Then when the test comes back in two or three weeks' time, if it's negative, it does not mean you don't have Lyme disease if the rest of the story fits. But if it's positive, it will support your diagnosis. The issues around testing are causing a lot of delay in making accurate diagnoses.

The Chair (Mr. Peter Tabuns): You're going to have to wrap up, Mr. Anderson.

Mr. Granville Anderson: Okay. Mr. Cormode, earlier during your presentation, I believe you weren't finished. Did you have anything else you wanted to add?

Dr. Ted Cormode: No, I did finish. I did finish it. I had two words to say at the end, and we got it all in.

Mr. Granville Anderson: Okay, thank you very much.

The Chair (Mr. Peter Tabuns): Great. Thank you very much.

Dr. Ted Cormode: Thank you for having me there.

ONTARIO FEDERATION OF AGRICULTURE

The Chair (Mr. Peter Tabuns): Our next presenters: the Ontario Federation of Agriculture. Gentlemen, if you'd have a seat. You have five minutes to speak and three minutes of questions from each party. I'll tell you

when you're running out of time. If you'd introduce yourselves for Hansard.

Mr. Keith Currie: Okay. Thank you for the opportunity. I'm Keith Currie. I'm vice-president of the Ontario Federation of Agriculture. I have with me today our executive member, Mark Reusser, on my right, and another board of directors member, Paul Wettlaufer.

The Ontario Federation of Agriculture, on behalf of its 37,000 farm family members, is pleased to offer its support to Bill 27. We thank Mr. Barrett for bringing this bill forward to recognize and address the need for a provincial strategy to deal with diseases such as Severe Acute Respiratory Syndrome, or SARS, West Nile virus, Lyme disease and Ebola virus.

Interruption.

Mr. Keith Currie: I thought I'd turned my phone off, and I apologize for that.

We have all seen the impacts of SARS and West Nile virus and have recently begun hearing of or experiencing the serious consequences of Lyme disease as its carriers move north into and across Ontario. These are serious public health matters that require a response, as provided for in Bill 27.

In Ontario, the Public Health Agency of Canada noted seven known Lyme endemic areas in 2012. It is estimated that by the year 2020, 80% of eastern Canada will be living in areas with established tick populations. The demands of this endemic illness are growing rapidly and require a serious strategy.

West Nile virus was first identified in North America in the late summer of 1999. People and animals can become infected from the bite of mosquitoes that are infected with the virus. Mosquitoes can contract the virus when they bite or take a blood meal from infected wild birds. Those mosquitoes may then transmit the virus to people and other animals through biting.

About 20% of people bitten by a carrying mosquito experience flu-like symptoms, such as chills, fevers, headaches, muscle weakness, nausea and vomiting, which disappear within a few days' time. One per cent of those bitten by a mosquito with West Nile develop West Nile encephalitis, a serious inflammation of the brain or surrounding tissues which can last several weeks and cause paralyzing neurological effects.

Horses are also a species that is susceptible to infection with the virus. Outcomes can include fever, paralysis of hind limbs, impaired vision, convulsions, seizures, coma and death. There is no specific treatment for West Nile encephalitis in horses, and supportive veterinary care is recommended. A vaccine is available and deemed to be 90% to 95% effective.

It is important to diagnose West Nile quickly, because infection is an indication that mosquitos carrying the virus are in the area and need to be eliminated. Elimination will prevent further exposure to people and to horses.

We support the provisions of the act that require the Minister of Health and Long-Term Care to develop a provincial framework and action plan. This will require

the establishment of a provincial surveillance program. As noted above, surveillance is critical for such diseases and enables early prevention.

OFA also supports the provision of the act requiring standardized educational materials and guidelines regarding the prevention, identification, treatment and management of vector-borne and zoonotic diseases. Ontario is only beginning to learn about the causes, symptoms and treatment for West Nile and Lyme disease. Education provides for an informed public and health care system working towards prevention, early diagnosis and more effective treatment. This will ultimately save health care dollars.

Lastly, the framework and action plan must also promote research in connection with vector-borne and zoonotic diseases. OFA is a strong proponent of research, and supports the call for scientific investigation into the cause, prevention and treatment of zoonotic disease. We believe Ontario will experience more such cases as our climate changes sufficiently to support the vectors.

On behalf of Ontario farmers, we urge you to pass Bill 27 to make the development of a Lyme disease and West Nile strategy a priority within the ministry. Lyme disease and West Nile are serious diseases with serious consequences for the victims and our health care system. Ebola and other potential vector-borne and zoonotic diseases such as Ebola could be absolutely devastating to Ontario. Ontario farmers are susceptible to vector-borne diseases by virtue of working outdoors in rural Ontario, in close contact with vector habitat. On their behalf and on behalf of all Ontarians, we urge you to work through and enact Bill 27 to address a growing health care concern.

I also brought my colleagues along with me today because they both have experiences with Lyme disease, so I'm going to turn to Mark to relate his first, please.

Mr. Mark Reusser: Just a short story to support our presentation and in support of the bill: About 23 years ago, I was giving my very young daughter a bath, and I should mention that about two weeks previous to that she was camping with her grandparents at Long Point Provincial Park. I noticed on her thigh the classic little red Cheerio-shaped rash. I recognized it right away because—

The Chair (Mr. Peter Tabuns): You have 10 seconds left.

Mr. Mark Reusser: —I had read about it in Reader's Digest. I took her to the doctor. The doctor didn't know what it was. I told him what it was. He—

The Chair (Mr. Peter Tabuns): I'm afraid—

Mr. Mark Reusser: One more sentence?

The Chair (Mr. Peter Tabuns): No, but I'll turn you over to Mr. Mantha, because I think he's about to help you.

Mr. Mark Reusser: He's going to help me? Okay.

The Chair (Mr. Peter Tabuns): Yes.

Mr. Michael Mantha: Go ahead.

Mr. Mark Reusser: Thank you very much. I told the doctor what it was. I referred to the article in Reader's

Digest. He said, "It appears to me to be just a tick bite." He said, "Nothing to worry about. Go home and don't worry about it."

The next day, he phoned me up after doing some further research—remember that this was before Google. He apparently phoned some colleagues in the US. He phoned me up the next morning and said, "Bring her in right away." He put her on a two-month regime of antibiotics. In 23 years since then she has not had a symptom.

My point is this: The general population doesn't know what the symptoms are, and doctors, I am sure, don't all know either. This bill goes, I think, a long way toward rectifying both of those issues. Thank you.

The Chair (Mr. Peter Tabuns): Mr. Mantha, if you have any questions.

Mr. Michael Mantha: You are a very fortunate person, because a lot of the individuals I've spoken to have had such a hard time getting a diagnosis. That doctor who made the decision to provide your daughter with antibiotics is a rarity, to be honest with you.

However, if your dog would have gone to the vet and they would have found a tick on it, your dog would have had first-class care of him or her, and the disease would have been cured completely. There would have been follow-up, of course, with the dog, because veterinarians have that ability to treat our animals.

It's almost embarrassing to say that we're treating our animals better than we're treating human beings here in Ontario when it comes to Lyme disease. I just wanted to mention that.

Look at all three of you fine gentlemen. Here's a skill-testing question: You weren't here for everybody else's, but did you guys take the Lyme disease awareness challenge over the course of the month of May?

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Mr. Keith Currie: I personally did not, but I have two daughters in the sciences and in the medical area of the sciences, and they were all over me about it. They took it.

Mr. Michael Mantha: Good stuff. Thank you, gentlemen.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Mantha. To the government: Ms. Mangat.

Mrs. Amrit Mangat: Thank you, Mr. Currie, for your presentation. As you know, our government is committed to protecting the people of Ontario from Lyme disease and also helping those who are already suffering from it. That is why our government is developing a provincial Lyme disease action plan. Having said that, my question to you is this: How will this bill, Bill 27, help advance the goals of your organization? Can you throw some light on this, please?

Mr. Keith Currie: Well, as you can imagine, farmers work outside all the time, so we have a much higher exposure rate to things like ticks, for example, other air-borne diseases and all these diseases that we're mentioning. We need help to even educate our own membership as to what to look for.

Mark found a rash on his daughter and took her to the doctor. Most people would have looked at that as just an insect bite or something and maybe, potentially, ignored it, which could have led to more severe problems. We're trying to look at ways that we can educate the general public along with this, to make sure that everyone is aware of what to look for and then to take the appropriate action once it's found.

Mrs. Amrit Mangat: So just to clarify for myself, what you are saying is that the updating of existing public awareness and education materials, guidance documents and tick surveillance protocols would be of great help?

Mr. Keith Currie: Absolutely. And make sure to include the doctors in that, because there's a lot of varying opinions among the medical field as to diagnosis, as Mark explained.

Mrs. Amrit Mangat: And your organization is supportive of that?

Mr. Keith Currie: Absolutely.

Mrs. Amrit Mangat: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Mangat. Mr. Barrett.

Mr. Toby Barrett: I want to thank OFA for supporting the bill, and the 37,000 members that you represent. Beyond the legislation, if it passes, your organization is very influential, especially in rural Ontario and amongst outdoorsmen. We also received a letter from OFAH, the Ontario Federation of Anglers and Hunters. Its 100,000 members support the bill.

Beyond the law, there is so much that both your organizations can do just for your own members, but also to better educate the public, and the practical mechanisms that you could work on, whether it's prevention or education or whatever.

I'm glad you mentioned West Nile. The legislation covers West Nile. I mean, we're all worried about mosquitoes. Seven years, I was driving around with a dead crow in my car. Now I carry a tick with me, one of the four that I found on me this weekend. As you say, we pick them up all the time when we're working outdoors.

So many farmers aren't aware. I'm working with Amish fellows now on my farm, and they're not aware of this, of course, and many people are not.

One other infectious disease I'm very concerned about is H5N2, avian flu. There's something like 39 million birds that have been put down in North America. The real reason for that is in case it jumps to humans—again, an infectious disease carried by migratory birds. There's a suggestion that the tick was carried by migratory birds.

There's an awful lot of wisdom within your organization. Any action steps you could see down the road, maybe working with OFAH, some of the practical stuff you guys could do to help better educate the people?

Mr. Keith Currie: Thank you for the question. Education is key to a lot of this. We have passed resolutions at our AGMs in the past—in 2012, a resolution on taking action on this. We've had several commentaries over the years about asking the government for action in this area.

I think we need to make sure that we're proactive for future potential diseases—as you say, the avian flu potentially jumping into humans. The dengue virus was thought to have been a southern hemisphere virus for a long time and now has been found in Texas, so we need to be proactive for what may be coming down the road as well.

We're certainly happy to work with government on this in any way we can, and also continue to work with our membership to bring any information that we can get our hands on out to them for an awareness and education aspect.

Mr. Toby Barrett: Great. Thank you very much.

The Chair (Mr. Peter Tabuns): Thank you very much. Gentlemen, thank you.

Members of the committee, we are just five minutes fast. We're going to recess for those five minutes. We'll return at 4 o'clock and we'll go to clause-by-clause.

The committee recessed from 1555 to 1600.

The Chair (Mr. Peter Tabuns): The committee is back in session.

Colleagues, as you're aware, we have directions to go to clause-by-clause. This is for Bill 27, An Act to require a provincial framework and action plan concerning vector-borne and zoonotic diseases. I've had a number of amendments circulated to me. I have to ask at the beginning, are there any comments, questions or amendments to any sections of the bill, and if so, to which section? If you already have submitted amendments, you don't have to comment on those, but—

Mrs. Laura Albanese: Oh, okay. So if we have submitted them, we don't need to comment.

The Chair (Mr. Peter Tabuns): No, unless there are others. Mr. Barrett?

Mr. Toby Barrett: Yes, a comment on the government amendments.

The Chair (Mr. Peter Tabuns): You can make that comment when we go to each amendment. If you want to talk about the bill—

Mr. Toby Barrett: Yes. Maybe the big one—this would be a massive change to the legislation. I'm not saying I'm necessarily arguing against it, but as I recall, it deletes the reference to zoonotic diseases, but it does leave in coverage for vector-borne diseases like West Nile virus, the mosquito-borne diseases, equine encephalitis or malaria, I would assume, which are all—equine isn't; malaria is in the province of Ontario. But it deletes "zoonotic," and we heard in testimony the request to narrow the focus.

All the testimony, with one exception, was about Lyme, actually. This isn't a Lyme bill specifically; I mean, this covers other vector-borne and zoonotic. By deleting "zoonotic," we know that would delete any reference to Ebola, for example. As we go through it, I think it would be important to run through the rationale for that, or why we would justify removing any framework or action with respect to Ebola or whatever may be coming along next. You can't predict it—Marburg virus, or maybe this H5N2 that is in Oxford county right now,

in chickens; it's not in humans. But in North America, they've put down something like, I'm not sure—39 million birds have been put down just in the last few months because of the fear of it going over to humans.

I just have that concern. If someone said, "How come you took that out?"—I mean, last year 10,000 people died from Ebola. If H5N2, the avian flu, got into humans, you can't predict the death rate.

My only concern, and the initial impetus for this, having crafted it close to a year ago, was to deal with emerging infectious diseases. Of course, when you watched CNN last summer, it was all about Ebola. It was not about Lyme disease. We don't talk about West Nile anymore; we did seven years ago.

That's my only concern. If someone were to ask, when the next one hits, how come—we had the opportunity on committee to leave that in there, to better enable the province of Ontario, the Ministry of Health and the various public health agencies to deal with these new diseases, these emerging infectious diseases that we invariably seem to get caught flat-footed by. Whether it's HIV/AIDS 25 years ago or SARS—that was, what, 12 or 13 years ago—it's almost inevitable that we get caught flat-footed. There will be more emerging infectious diseases, and we will get caught flat-footed as a society.

That was my overall comment. I understand where this is coming from. We heard it from deputations, especially when people come here and talk about nothing but Lyme, other than the last presentation and their concern with West Nile virus and also the equine disease. If it gets into horses and it gets into humans, that cannot be treated. That's a very serious one. It's not here, but I think maybe there was one case at one point.

That was my general comment, Chair.

The Chair (Mr. Peter Tabuns): Mr. Mantha, you wanted to speak before we went to clause-by-clause?

Mr. Michael Mantha: Yes, Mr. Chair. I want to speak particularly against the elimination of the reference to Lyme in this particular bill. I think, from what we've seen here in the testimony today, it is the emerging infectious disease that is at the forefront of many across this province and across Canada, quite frankly. Families need to know that the impact of Lyme disease is going to be taken seriously and that these families are going to be taken seriously, so they need to identify with this.

However, I will not stand in the way of having the stakes move forward on this bill. I would like to see the reference to Lyme maintained in this bill. Again, there are some references or amendments that are going to be changed in here as well as changing the mandate to a discretionary ability of the government to establish this policy. I would like to see more of a set timeframe, as in the unanimously passed motion that I had introduced into the House in November, where we're going to hear a report from the ministry in regards to the development of a real Lyme strategy going forward. This could have been a good step forward towards that.

Once again, the most important thing is, when we're bringing individuals together, we're not going to be

picking and choosing who those individuals are going to be. It's going to have to be patients at the very forefront. We need that. I think that was obvious from the testimony that we heard here today.

My hat is off to the government as well. We have started a surveillance practice. That is correct. But we still need a lot of work going forward and we have the ability to do that. We need to deliver this strategy. It was obvious, with the entire testimony that was here today, that Lyme is real. Lyme is happening. We need to deal with it. Eliminating it from this particular bill will not reassure families that their concerns and their illnesses are being taken seriously. Those are my comments.

The Chair (Mr. Peter Tabuns): Ms. Albanese.

Mrs. Laura Albanese: I just wanted to address the general comments that were made just now.

The government feels that in its current form, as you've heard, the scope is a little too broad to allow for the development of an effective framework. That's why we're proposing this amendment, because, as it stands right now, the bill would require a development of a provincial framework and action plan for a very large group of diseases, covering everything from anthrax to Q fever to malaria to yellow fever.

The concern is that it wouldn't have the impact that all three parties are hoping for. As I've recently learned, there are significant differences between zoonotic and vector-borne diseases. The zoonotic diseases are infectious diseases which will spread from animals to humans. This is a very broad category of diseases which differ greatly with respect to their epidemiology and to the risk of transmission, the severity of the disease and the appropriate infection control measures.

Vector-borne diseases are infectious diseases which are spread from insects to humans. They would include Lyme disease as well. That's what we're looking at the scope to be, so that it's more effective and more focused on the specific disease of concern.

Some of the diseases cited in the bill are neither one nor the other; they are spread from human to human. That's a different category as well. This is the reason why we're proposing this amendment.

The Chair (Mr. Peter Tabuns): Mrs. Martins.

Mrs. Cristina Martins: I just wanted to add to that, where the member opposite, Mr. Mantha, talks about us eliminating Lyme disease from this piece of legislation: In fact, it's actually still included. We're never eliminated that particular disease from this piece of legislation. When we talk about narrowing the scope of the legislation to look at the vector-borne diseases, it is completely, 100% implied that Lyme disease is one of these vector-borne diseases. We actually leave the legislation open enough to address what was pointed out by Mr. Barrett, also opposite, about the new and emerging diseases that are coming up that we don't know about today.

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With the world becoming a smaller place, people travelling all over the world, and our bringing in new immigrants from very different countries, I can only

stress that we will be seeing a lot more emerging infectious diseases. So it's important that our government is looking ahead and is being proactive in ensuring that this piece of legislation will address those emerging diseases.

The Chair (Mr. Peter Tabuns): Mr. Barrett.

Mr. Toby Barrett: I want to comment again on definitions. We've got several terms: emerging infectious diseases, zoonotic diseases, vector-borne diseases. I trust that the researchers have got the definitions precisely cleared out so there's no confusion down the road.

Ebola: There's evidence the origin would be bush meat, a monkey, in Africa. SARS: The evidence is various species of monkey in China, where they were eaten, and the transmission was that way. That would not be considered a vector, as I understand it. It's transmitted from an animal, but it's not directly transmitted, say, by the bite of a tick or the bite of a mosquito.

I just trust the definitions are clear and that people hoping to craft the legislation—I know the lawyer who helped me in the private member's bill, we wrestled with that a bit as well.

In looking at various organizations, there's a lot of crossover. There are infectious disease organizations and vector-borne researchers. There's that crossover. I trust the legislation is fairly clear on that.

I also understand that the real reason for this is it would be easier to have the legislation separated out—in this case, it focuses just on vector-borne. The present concern beyond Ebola is Lyme. I suppose we could make it simple the other way: We could delete vector-borne and just focus on zoonotic.

I just raise this for a discussion. This is something I wrestled with in crafting the legislation.

It seems to me, and maybe it would be up to me, that we could separate out these various zoonotic diseases that are defined as strictly not vector-borne, but are of concern, like Ebola or Marburg virus or whatever is coming next. I understand that could be a separate piece of legislation, something I may work on because, again, invariably the province of Ontario and every other jurisdiction, including the World Health Organization, gets caught flat-footed when something new arrives. People didn't study it in medical school in various countries.

The Chair (Mr. Peter Tabuns): I next have Mr. Mantha, then Ms. Mangat.

Mr. Michael Mantha: I just want to thank my colleague Mrs. Martins for having clarified the amendment that the government was putting forward with regards to my concern with the mention of Lyme within this bill. As you all know, it has been front and centre in this House for a very long time. We need to let families, patients, the medical field, all of the stakeholders know that this is coming; we're going to be having this discussion.

My only concern that I do have—and I will highlight it when we come to that amendment—is changing from "shall" to "may." We need to make that decision. We need to take a step forward. I'm concerned that this bill

will go through and it will be a paper bill. Nothing will come from it.

We need to challenge ourselves in making sure that we answer the call and we answer to so many whose lives have been devastated. We need to take responsibility, and as they go to their doctors and challenge their doctors, we need to care for them. We have that opportunity now. Let's take that challenge and let's do something.

The Chair (Mr. Peter Tabuns): I'm going to go to Ms. Mangat, but before I give you the floor, just note that you may find it useful to weave these arguments into the amendments as we go through them.

Ms. Mangat.

Mrs. Amrit Mangat: Chair, our government is committed to protecting the people of Ontario from vector-borne and zoonotic diseases and our government supports Bill 27 as it aligns with our own priorities and initiatives. I understand that the Ministry of Health and Long-Term Care has met with MPP Barrett on his private member's bill. They actively worked together to move this bill forward.

Having said that, our only concern is that if the definition is too broad, it won't have the impact that all parties would want. MPP Barrett spoke about Ebola. SARS and Ebola are zoonotic diseases by origin, but their mechanism of transfer is not zoonotic as they are spread from human to human. Therefore, an action plan for those diseases would look different than an action plan for vector-borne diseases, such as West Nile, which is transferred from insect to human with no risks of human-to-human transfer. So I think narrowing down the scope would be better, and we have heard this from many presenters as well.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Mangat.

I'm going to assume that you're ready to proceed.

Mrs. Laura Albanese: Yes, ready to proceed.

The Chair (Mr. Peter Tabuns): Okay. We're going to section 1 and we have our first amendment, a government amendment. Ms. Albanese.

Mrs. Laura Albanese: I move that subsection 1(2) of the bill be struck out and the following substituted:

"Interpretation, emerging vector-borne diseases

"(2) For the purposes of this act, emerging vector-borne diseases are infectious vector-borne diseases that constitute or are likely to constitute a risk to public health in Ontario."

The Chair (Mr. Peter Tabuns): Thank you, Ms. Albanese. Did you want to speak to that?

Mrs. Laura Albanese: I believe that we have just addressed the reasoning behind this amendment.

The Chair (Mr. Peter Tabuns): Is the committee ready to vote? Mr. Barrett.

Mr. Toby Barrett: Just a comment on that subsection: So, again, by way of example—and certainly it would be that Public Health Ontario identifies Lyme as a vector-borne disease and they document the number of cases. They identify West Nile. There are even more

cases of West Nile in Ontario than Lyme, and that's including probable cases. Now, the next report should be coming out in the next couple of weeks. Malaria: There are 220 cases of malaria in Ontario. You don't catch it in Ontario. Many of us, when we travel, take malaria tablets. You don't actually get it in Ontario, but it is of concern and we have to deal with people who have malaria.

The Ontario Federation of Agriculture, their concern beyond Lyme and West Nile was equine encephalitis virus—a very serious disease; no treatment at all for that one. But it has not been prevalent in Ontario for many, many years, as I understand. Yellow fever would be included; that's a vector-borne disease. It's not endemic. There's not the transmission within the province of Ontario. Like malaria, that's travel-related. So these are just some examples of vector-borne diseases. There are other vector-borne diseases. The significance isn't there that they don't show up in Public Health Ontario.

My understanding is that this legislation—we're not dealing with the flavour of the day or the concern this year or this winter—has to stand the test of time. So my understanding is, when the next one comes along—I don't even want to think about what the next one may be and whether it's mosquito or tick or whatever it would be—that this legislation would deal with it. We don't know what it is, but if it's vector-borne and we've got the framework in place, the education would kick in just like that. The surveillance will always be there and the research would continue, even though it's not here, like equine. That's my only comment.

With those caveats, I understand the reason for this and would vote in favour.

The Chair (Mr. Peter Tabuns): Thank you very much for your commentary. We'll go to the vote. Shall the amendment carry? The amendment is carried.

We shall now go to the vote on the section. Shall section 1, as amended, carry? The section is carried.

We go to section 2. We have amendment 2: Ms. Albanese.

1620

Mrs. Laura Albanese: I move that subsection 2(1) of the bill be struck out and the following substituted:

"Duty to develop provincial framework and action plan

"(2) The Minister of Health and Long-Term Care shall develop a provincial framework and action plan concerning emerging vector-borne diseases that does or provides for the following:

"1. Enhances provincial surveillance by using data in the custody and control of the agency to properly track incidence rates of emerging vector-borne diseases.

"2. Establishes guidelines regarding the prevention, identification, treatment and management of emerging vector-borne diseases, including preparedness guidelines and the sharing of best practices throughout the province.

"3. Creates and distributes standardized educational materials related to emerging vector-borne diseases, for use by health care providers and by members of the

public, designed to increase awareness about those diseases and enhance their prevention, identification, treatment and management.

“4. Promotes research in connection with emerging vector-borne diseases.”

The Chair (Mr. Peter Tabuns): Any comment? Mr. Barrett.

Mr. Toby Barrett: My understanding of the amendment—correct me if I’m wrong—is that it deletes the one-year deadline for establishing this, the one-year deadline from the enactment of this legislation. I have a concern with that. There’s no deadline, and I have a concern. That has been an issue we hear at the witness table. In my riding, this has been going on since the late 1990s. The concern is, how much longer do we wait? That’s my concern. I don’t know whether the parliamentary assistant or the government would have any comment on that.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Barrett. I’ll see if there are any other comments. Ms. Albanese.

Mrs. Laura Albanese: Yes. I would just like to comment on this and say that this amendment was brought forward because we want to be able to properly consult and develop a thorough and effective action plan. One year could be sort of a defined period of time. It may be enough; it may not be enough.

I want to also take into consideration the fact that the action plan, or the framework, would need to be established for emerging diseases. So if it’s emerging—as the disease emerges, you have to address it.

So it’s just not to prescribe it into a certain period of time, and then you have other possibilities coming forward. It’s to be not too prescriptive. That was the reason. But I understand the urgency, the intent that you had there, putting that one year.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Albanese. Are there any other comments? Mr. Barrett.

Mr. Toby Barrett: There’s no question that the major intent is to be able to have a framework there for emerging diseases. We have no idea what they are. It’s cautionary to have that framework, so we can hit the ground running when something happens, no matter what it is.

We used to have air raid sirens when I was growing up. You never knew if that was for nuclear war or what that was for, but at least there was something in place. You didn’t know why that siren was going to go off.

I wouldn’t want us to be limited, because the whole purpose is to be better prepared for the unknown. I don’t want anyone to use an excuse: “Well, we don’t know what it’s going to be.”

I’m accused of being too broad in my legislation, but I purposely kept it broad. I used terms like “surveillance” and “education” and “research,” which is very important, and “treatment” and “diagnosis,” regardless of what it is.

That’s my comment on that. I just think it’s important to have a deadline. Sometimes, deadlines do help to get action.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Barrett. I see—

Mr. Toby Barrett: One other comment on this one.

The Chair (Mr. Peter Tabuns): Mr. Barrett.

Mr. Toby Barrett: I think it was in a briefing, and I think this was from the government. There was another document. Mr. Mantha, you have this document, I see?

Mr. Michael Mantha: Yes.

Mr. Toby Barrett: It refers to section 2(1), paragraph 1. I don’t see it in the actual motion, but it indicated that this would remove the reference—this was on page 2, the lower right-hand corner. Do we have this document?

Mrs. Laura Albanese: Yes.

Mr. Toby Barrett: I’m unclear. It says it would remove the reference to tracking associated economic costs of vector-borne diseases, given limitations. Does that mean it removes reference to tracking or it removes reference to any costs, like determining the costs of these things? I’m unclear on just what that says.

They give an example: A patient could be hospitalized for encephalitis rather than West Nile, so how do you pin down the cost? In my previous career, we always had this issue: How do you determine the cost of alcoholism or drug addiction? There are so many confusing ways of measuring the cost.

First of all, I just wasn’t sure what this means. Does it remove reference to tracking or remove reference to anything in here about determining economic costs?

Mrs. Laura Albanese: Well, my understanding—

The Chair (Mr. Peter Tabuns): A second, please.

Mrs. Laura Albanese: Sorry.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Barrett. Other comments?

Mrs. Laura Albanese: Yes. I think we need to read the sentence as a whole, so “Remove the reference to tracking associated economic costs of vector-borne diseases, given limitations related to linking treatment cost to a specific vector-borne disease.” What I read into the sentence read out loud as a whole is that it’s difficult to determine what is the economic cost of one specific disease versus another, always talking about vector-borne illnesses. It’s not the tracking as a whole but it is the tracking of each and every one of them. For example, a patient could be hospitalized for encephalitis, but then turn out to have West Nile virus. I guess it’s the fact that it’s volatile, especially with emerging diseases.

Mr. Toby Barrett: It’s hard to measure.

Mrs. Laura Albanese: Hard to measure; I guess that’s what that sentence is saying. It’s that it is hard to measure, at the moment at least.

Mr. Toby Barrett: But I know when I think of SARS—

The Chair (Mr. Peter Tabuns): Thank you, Ms. Albanese. Mr. Barrett, you wish to speak? Then I’ll have Mr. Mantha after you. Please proceed.

Mr. Toby Barrett: Sorry, Chair. I don’t mean to challenge the Chair. I go next?

The Chair (Mr. Peter Tabuns): Yes, you do, and then Mr. Mantha.

Mr. Toby Barrett: I think of, for example, SARS in Toronto. We were given cost figures, the tourism cost—

afterward, of course, but we were given the cost. We were given the impact on restaurants. Many of us tried to help out—I won't get into the details—to support certain restaurants.

The global cost of SARS was \$40 billion; this is what I read. Somebody worked it out after the fact. I think that's so important. I mean, if government can't do anything, and if we're to help mobilize other organizations, whether it's OFA or OFAH or the Magnotta Foundation or other groups or the private sector, to help out, and if you can give them the economic impact—this just isn't out there. You're going to see absenteeism in your workplace. If it's something in the alcohol and drug field, you try to put an economic cost on absenteeism.

I just feel that's important for the cause, to help mobilize people, the direct link between, say, disease and absenteeism, and the impact on economic activity. Absenteeism in the health field itself—nurses or doctors who aren't there for whatever reason. That's why I thought it was important to have the economic cost in there.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Barrett. Mr. Mantha.

Mr. Michael Mantha: I think I understand, but I just want to make sure that I'm understanding the right way. If we look at 2(1), the last sentence, "or provides for," is underlined. If we look in the analysis, the second paragraph, it says "provides for" is added in the last line to reflect that the framework action plan itself wouldn't do the actions described in the following paragraphs, but would instead provide for the government to do these things. "The amendments to paragraph 1 would"—and it goes on to list some of Mr. Barrett's concerns, is what he was saying.

Going back to his point, it says, "Remove the reference to tracking associated economic costs of vector-borne diseases, given limitations related to linking treatment cost to a specific vector-borne disease." I just want to understand: How is that covered under 1, 2 and 3 of the proposed amendment? Or is it not?

The Chair (Mr. Peter Tabuns): Thank you, Mr. Mantha. You made a comment; the government may or may not comment.

Ms. Albanese, would you like to comment?

Mrs. Laura Albanese: I think—yes, you try, Cristina.

Mrs. Cristina Martins: Can we just do a five-minute recess here, Chair?

The Chair (Mr. Peter Tabuns): Is everyone agreeable to a five-minute recess? Yes.

Mrs. Cristina Martins: Thank you.

The committee recessed from 1631 to 1638.

The Chair (Mr. Peter Tabuns): Could I please have the members back in their chairs? Ms. Albanese, would you like to set up the situation here?

Mrs. Laura Albanese: We have legal counsel present from the Ministry of Health here with us. We would like to call you up so that we can have a more technical and clear explanation for that. Please come forward.

The Chair (Mr. Peter Tabuns): Sir, if you could join us, please. If you could identify yourself for Hansard.

Mrs. Laura Albanese: We have two people, right?

The Chair (Mr. Peter Tabuns): We have another person joining you?

Interjection.

The Chair (Mr. Peter Tabuns): Okay. If you both would introduce yourself with your titles, then we can proceed.

Mr. Paul Kaufman: My name is Paul Kaufman. I'm legal counsel with the Ministry of Health.

Ms. Roselle Martino: I'm Roselle Martino. I'm the executive director of the public health division, Ministry of Health.

The Chair (Mr. Peter Tabuns): I understand that there were questions. Ms. Albanese, did you want to direct particular questions, or just open—

Mrs. Laura Albanese: I will just direct to answer the concerns that were brought forward by MPP Barrett.

The Chair (Mr. Peter Tabuns): Mr. Barrett, do you have questions for counsel and policy?

Mr. Toby Barrett: I think Mr. Mantha has some comments as well.

We have a cheat sheet from the ministry. Looking at page 2, in the lower quarter, it states: "Remove the reference to tracking associated economic costs of vector-borne diseases, given limitations related to linking treatment cost to a specific vector-borne disease." I guess I just wanted to clarify. My understanding is the framework or the action plan doesn't really do any economic analysis, evaluation or monitoring at all of the impact beyond maybe mortality and morbidity. Is that what we're looking at here?

1640

Where I'm coming from is, when these things hit—I think of SARS. The figure in my mind was always \$40 billion worldwide. Various diseases, when they do hit, there's absenteeism. Again, I think of SARS in Toronto and the impact it had on restaurants, for example, even down in my riding. Many of us tried to help out because of people's misinformation. But there was an economic hit, which is a compelling argument in many areas for the cause: We've got to deal with this stuff because it's not just somebody getting sick who you don't know; it means that it could impact the transportation system or tourism. The hit on tourism in Toronto, I understand, was very significant. Americans weren't coming up here because of SARS. So this isn't strictly a health bill in that sense.

I think that's the point that I was making.

Mr. Paul Kaufman: You are correct that the proposed government motion would remove the requirement to track the economic costs of the incidences of those diseases, although I think you made the other point about tracking generally, and the general obligation to track incidence rates of emerging diseases would not be taken out. That would still be in there.

As to the issues associated with tracking the economic impact stuff, Ms. Martino, I think you can speak to that a bit better than I can.

Ms. Roselle Martino: Yes, absolutely. I want to reiterate that we'll absolutely continue the tracking of the

various vector-borne diseases, as we said. I think MPP Mantha mentioned that as well.

What we were saying was challenging to do was, because the costs for hospitalization are not associated with a vector, but associated with the treatment or a presentation of a symptom—for example, we couldn't say we're associating a certain cost to West Nile or a certain cost to Lyme disease for hospitalized patients because they would present with encephalitis or a certain condition. As part of our surveillance—and we're looking at disease prevalence and burden of disease in the province—we could look at clusters of diseases, absolutely, and look at the impact of those diseases in our province, but we're not tracking specific costs of a specific vector because that would be really challenging to do. But we could certainly look at clusters—

Mr. Toby Barrett: Vector diseases, yes.

Ms. Roselle Martino: Yes. For example, you think about all ticks and how many variations of ticks there are or how many variations of mosquitoes there are exactly. We're just being a bit more precise in terms of what we'd be able to track, but we're absolutely tracking all those vector-borne diseases for sure. It would not take that away.

Mr. Toby Barrett: Or the surveillance.

Ms. Roselle Martino: Yes.

Mr. Toby Barrett: And even in the health field, what's a very important factor is, I'd say, the cost of alcoholism, absenteeism, lateness and accidents, serious, serious costs that can be quantified, partly in economic terms: the cost of drug abuse, the cost of the common cold—get your flu shot—the cost of the flu to business, industry and hospitals. If nurses don't get their flu shot, they get the flu and they don't come to work for a few days.

Ms. Roselle Martino: Yes. You're looking at productivity, absenteeism—

Mr. Toby Barrett: Teachers: We have a lot of supply teachers in the province of Ontario. If they all got their flu shot, they wouldn't phone in sick with the flu.

I always thought that health took the lead on that in part. Maybe we'd leave it up to someone else, the chambers of commerce or someone, but these dollar figures always seem to be associated with some of the broader diseases, not a specific, rare disease, but more the epidemic-type diseases.

Ms. Roselle Martino: Yes. I think what we would look at is—I think you're absolutely right. The flu shot is something tangible. Right? If you don't get it, then there are potential consequences.

Mr. Toby Barrett: But you never know when someone phones in sick. Maybe they've got the flu, maybe it's a bad cold.

Ms. Roselle Martino: That's right.

Mr. Toby Barrett: Some people seem to get the flu more than once a year. I don't understand that. From an absenteeism point of view—

Ms. Roselle Martino: All we were saying in respect here is that we were suggesting not tracking specific,

individual costs for patients in terms of treatment for various vectors. Rather, we would look at the clusters of the—the impact of those. What is the impact of West Nile in the province and how does that translate into economic burden? Because there are so many factors that come into that kind of cost calculation.

That was separate from tracking, is what we were trying to say. We would look at it in a population way and look at the impact of those as burden of disease would occur in this province. We'd apply the same lens to the vector-borne diseases.

Mr. Toby Barrett: Yes. Someone is probably going to do it, but I think of the cost of H5N2 in agriculture. I mean, you can quantify that. You've got the mortality figures.

Ms. Roselle Martino: I'm just saying there's a formula that would have to be applied for various classes of the vectors. That could certainly be done. We were just separating it from individual tracking and being clear that we're tracking the vector-borne diseases, and the incidence and prevalence of those.

Mr. Toby Barrett: All right. Do you think it's going to continue to be done anyway with various outbreaks of this and that?

Ms. Roselle Martino: From my view, yes, it will continue to be done. I think it's going to be clear that it's being done perhaps in a more clustered way. It's taking into consideration the number of influences that impact the economic burden of any kind of disease, right? So I'm saying it's going to be done and there are going to be different approaches applied to how it's done, but that's not taking away from tracking. I really want to be clear about that.

Mr. Toby Barrett: Evaluation—

Ms. Roselle Martino: Yes.

Mr. Toby Barrett: —or even surveillance, for that matter.

Ms. Roselle Martino: Yes, surveillance is critical.

The Chair (Mr. Peter Tabuns): So Mr. Barrett—

Mr. Toby Barrett: Okay, yes.

The Chair (Mr. Peter Tabuns): Mr. Mantha.

Mr. Michael Mantha: Clear as mud for me.

The Chair (Mr. Peter Tabuns): Did you have further questions, though?

Mr. Michael Mantha: No, I'm good.

The Chair (Mr. Peter Tabuns): Nope? Okay, that's fine. Thank you very much.

It looks like we've had a fairly fulsome debate. Is the committee ready to vote? Shall amendment 2 carry? Carried.

We go to amendment 3. Ms. Albanese.

Mrs. Laura Albanese: Thank you. This one is very simple: I move that subsection 2(2) of the bill be struck out.

The Chair (Mr. Peter Tabuns): Any discussion?

Mr. Toby Barrett: This removes legal responsibility. Is that what that does?

Mrs. Laura Albanese: Well, in the—

The Chair (Mr. Peter Tabuns): Wait—

Mrs. Laura Albanese: Sorry.

The Chair (Mr. Peter Tabuns): So you've made your statement?

Mr. Toby Barrett: Yes.

The Chair (Mr. Peter Tabuns): Does the government have a statement?

Mrs. Laura Albanese: Yes. I was just going to direct Mr. Barrett to the cheat sheet we all have. It suggests deleting this clause. It is unlikely that the minister would need to introduce new legislation in order to implement a framework/action plan. Even if that was necessary, the general obligation to develop the action plan and framework seems broad enough to include doing those things that are necessary in order to operate—oh, my God—

The Chair (Mr. Peter Tabuns): Operationalize.

Mrs. Laura Albanese: —operationalize the plan.

The Chair (Mr. Peter Tabuns): Okay. Are there further comments? The committee is ready to vote? Shall this motion be carried? Carried. The motion is carried.

Amendment 4: Ms. Albanese.

Mrs. Laura Albanese: I move that subsection 2(4) of the bill be amended by striking out “the minister shall” and substituting “the minister may”.

The Chair (Mr. Peter Tabuns): Any discussion on this? Mr. Mantha.

Mr. Michael Mantha: I want to speak against the “may” and “shall.” I think we need to get some action on this one and we need to move forward.

There's a point of clarification, and I'm not sure who to address. I'll address it to Mrs. Albanese. It reads, “For the purpose of developing and administrating the provincial framework and action plan, the minister may consult with any other affected ministries, the agency, boards of health, the Public Health Agency of Canada, the federal government or any other persons”—this is what I'm interested in—“or entities that the minister considers appropriate in the circumstances.”

1650

My question is, what is “any other persons or entities”? Does that include patients? I want to have a clear understanding of what that means, please.

The Chair (Mr. Peter Tabuns): There may or may not be a comment from the government.

Ms. Albanese.

Mrs. Laura Albanese: It may include patient advocates as well.

In any case, the amendment calls for striking out “the minister shall” and substituting “the minister may,” and I just wanted to address that as well. It's because it's not only the minister but you'll also have the ministry and Public Health Ontario that would be involved. It's not only the minister. So “may” is the preferred word compared to “shall” because it's not only the minister who consults.

The Chair (Mr. Peter Tabuns): Mr. Barrett?

Mr. Toby Barrett: I have a concern, too. This debate has been going on for years about “shall” versus “may.” “May” is a softer approach. It means that he doesn't have

to do anything, actually. That's the concern: that you could neglect consultation completely.

We put in the phrase “other persons or entities the minister considers appropriate in the circumstances.” That may refer just to other persons or entities. What if, instead of “or any other persons,” we put in “and any other persons”? Again, the operative phrase, “that the minister considers appropriate in the circumstances”—but he shall consult.

We heard so much at deputations at the witness table that nobody is consulting with the patients and nobody is consulting with the patients' experts or the patients' associations. I think we all believe in consultation, although even this process—it's a pretty short timeline to get people to come forward to participate in the process.

So we've always had that problem when you take a word like “shall” and put in the word “may”—it's kind of a meaningless word. He might do it; he might not. That's always the concern. It's a red flag that jumps up when you see this put in.

The Chair (Mr. Peter Tabuns): Ms. Martins?

Mrs. Cristina Martins: I think we were both in this committee room when we heard the alliance present this afternoon. If I recall correctly, they did make mention that the Ministry of Health and Long-Term Care has been consulting with their organization and has been consulting with patients.

I'm very confident that the change that is currently being proposed would continue to ensure that the ministry would be consulting with patients and the appropriate stakeholders, that the appropriate stakeholders are being consulted along the way, and that we're not consulting for the sake of consulting, that we are definitely consulting the right individuals and that this is not going to be just a paper bill.

Action is already in place to address Lyme disease and vector-borne diseases. This bill will continue to support the work that is already under way.

I'm very confident that the changes currently being proposed would in no way hinder the minister from consulting with patients and consulting with the appropriate stakeholders at the right time to ensure that everyone is being heard around the table.

The Chair (Mr. Peter Tabuns): Mr. Mantha?

Mr. Michael Mantha: Again, I would rather see the word “shall.”

Just going to the last sentence of this wonderful cheat sheet, it says, “The word ‘shall’ may require the minister to consult with persons not required to be consulted.” Who makes that determination in regard to who is required to consult? I think an individual who wants to bring a contribution needs to have that ability. What this last sentence is telling me is that the minister is going to be picking and choosing who he wants to bring forward. Essentially, that's what it says. “The word ‘shall’ may require the minister to consult with persons not required to be consulted.” So in his mind, if he says, “I don't want to consult with them,” then he won't. That's what that is telling me.

I'm going to be opposing this amendment, and I'm going to be asking the Chair for a recorded vote on this one.

Mrs. Cristina Martins: Can I just add to that?

The Chair (Mr. Peter Tabuns): Ms. Martins, if you have a comment?

Mrs. Cristina Martins: I understand Mr. Mantha's concern, but the way I read this, nowhere there does it say that the Ministry of Health and Long-Term Care staff would not be meeting with anyone who is wanting to present anything on this particular issue, so they would always be heard. It speaks specifically to the minister, so anyone wanting to speak on this—or anything else regarding this particular bill or this disease or any other vector-borne disease—moving forward, would always have that ability to present their case and speak to that.

The Chair (Mr. Peter Tabuns): Ms. Albanese.

Mrs. Laura Albanese: I just wanted to add that because the minister is mentioned, it may be too prescriptive in language because, as I mentioned at the beginning, you also have ministry departments that will meet and consult and Public Health Ontario that will meet and consult. So if we say, "the minister shall"—especially the Minister of Health and Long-Term Care; it's a very big ministry—that may bind the minister to meet with any and all stakeholders on one specific framework where he has a very big mandate. It doesn't mean that he wouldn't, but that it's not prescriptive only to the minister is the intent. That's the way I understand this.

The Chair (Mr. Peter Tabuns): Mr. Barrett.

Mr. Toby Barrett: Yes, my understanding with the term "minister"—the government, the agencies and staff—it refers to many people, not just the minister himself. That's my understanding.

Secondly, the phrase is in here, "that the minister considers appropriate in the circumstances." That's the default position or the out—I shouldn't say "out."

Maybe it's semantics, but this "may" versus "shall" has been going on for years and years.

Mr. Granville Anderson: When I was a trustee, you could spend two hours debating—

The Chair (Mr. Peter Tabuns): I'm sorry. Mr. Barrett, are your remarks in?

Mr. Toby Barrett: Yes. I wanted to hear Granville.

The Chair (Mr. Peter Tabuns): Mr. Anderson, do you have comments? Please proceed.

Mr. Granville Anderson: I was just saying, yes, it's semantics: "may," "shall" or "will." You could debate that ad infinitum. That's all I'm saying.

The Chair (Mr. Peter Tabuns): We may well have debated that ad infinitum.

Is the committee ready to vote? There was a request for a recorded vote.

Ayes

Albanese, Anderson, Dhillon, Mangat, Martins.

Nays

Barrett, Mantha.

The Chair (Mr. Peter Tabuns): The motion is carried.

We now go to the vote on the section as a whole. People are ready to vote? Shall section 2, as amended, carry? Section 2 is carried.

We go to section 3. We have no amendments. Is the committee ready to vote? Shall section 3 carry? It is carried.

We go to section 4, and we have amendment 5, a government motion. Ms. Albanese.

Mrs. Laura Albanese: I move that section 4 of the bill be struck out and the following substituted:

"Short title

"4. The short title of this act is the Provincial Framework and Action Plan concerning Emerging Vector-Borne Diseases Act, 2015."

The Chair (Mr. Peter Tabuns): Is there any discussion? There being none, a vote on amendment 5. All those in favour? Carried.

Since it replaces section 4, for clarity, shall section 4, as amended, carry? Carried.

We go to the last few votes. We go to the title, and we have amendment 6. Ms. Albanese.

Mrs. Laura Albanese: I move that the title of the bill be struck out and the following substituted:

"An Act to require a provincial framework and action plan concerning vector-borne diseases."

The Chair (Mr. Peter Tabuns): Any discussion? There being none, the committee is ready to vote? Shall amendment 6 carry? It is carried.

Shall the title of the bill, as amended, carry? Carried.

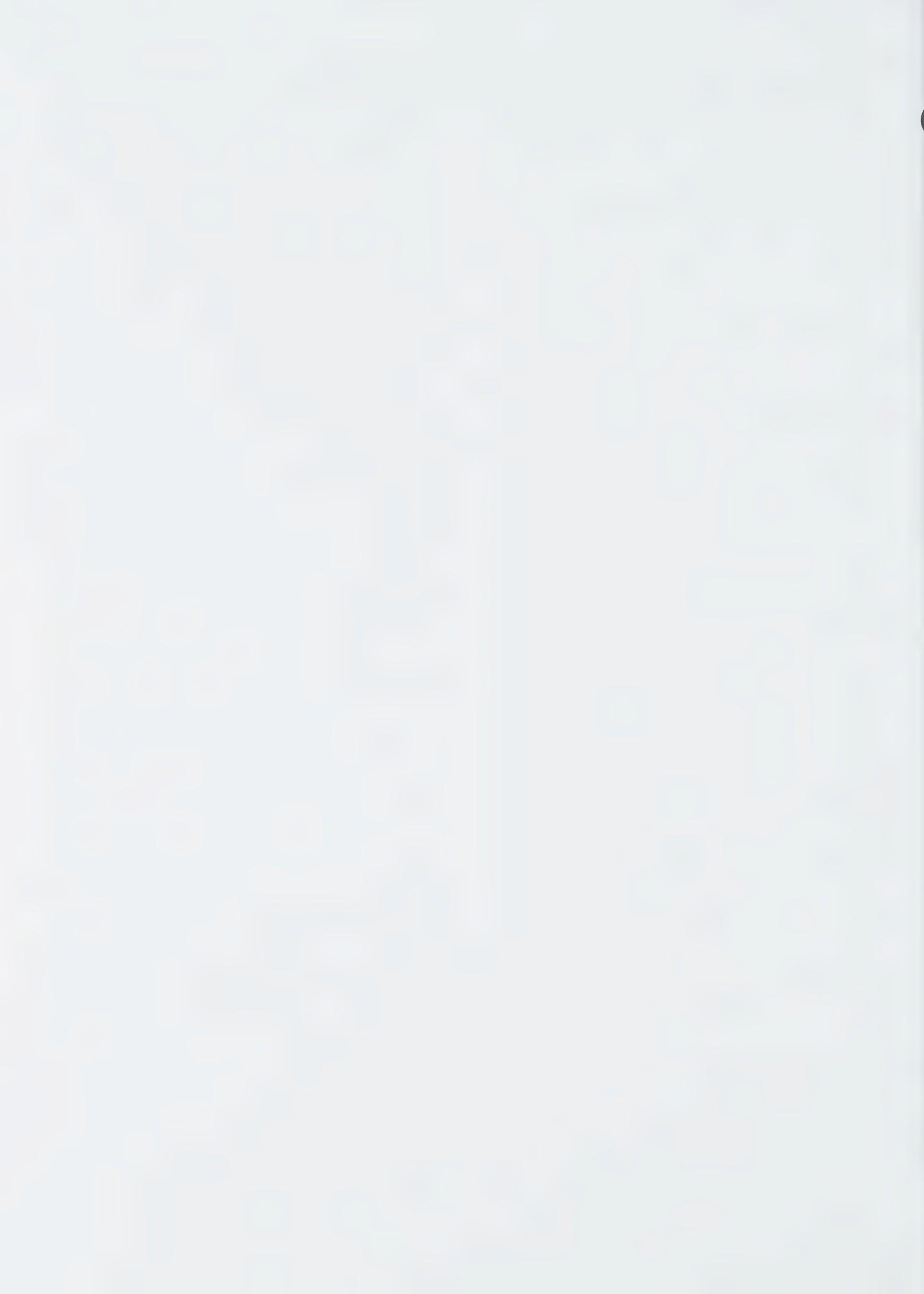
Shall Bill 27, as amended, carry? Carried.

Shall I report the bill, as amended, to the House? Done.

Thank you, colleagues. The committee stands adjourned.

The committee adjourned at 1700.





STANDING COMMITTEE ON SOCIAL POLICY

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Also taking part / Autres participants et participantes

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Ms. Roselle Martino, executive director, public health division,

Ministry of Health and Long-Term Care

Clerk / Greffière

Ms. Valerie Quioc Lim

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Mr. Michael Huynh, research officer,

Research Services

Mr. Bradley Warden, legislative counsel

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 28 September 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 28 septembre 2015

*The committee met at 1400 in room 151.*INVASIVE SPECIES ACT, 2015
LOI DE 2015 SUR LES ESPÈCES
ENVAHISANTES

Consideration of the following bill:

Bill 37, An Act respecting Invasive Species / Projet de loi 37, Loi concernant les espèces envahissantes.

The Vice-Chair (Mr. Jagmeet Singh): We have a member from each party here, so I believe we have a quorum to begin.

ONTARIO BIODIVERSITY COUNCIL

The Vice-Chair (Mr. Jagmeet Singh): Our first deputation for this afternoon is from the Ontario Biodiversity Council and Steve Hounsell, the chair.

As we all know, this is for Bill 37, An Act respecting Invasive Species. Any additional written submissions have been received and are distributed to the committee today. Each presenter will have five minutes for their presentation, followed by up to nine minutes of questioning from committee members. This will be divided equally among the three parties.

Sir, you have five minutes. Please begin.

Mr. Steve Hounsell: Good afternoon. As chair of the Ontario Biodiversity Council, I appreciate the opportunity to share my views and support for Bill 37, the Invasive Species Act.

First, I'd like to provide a little context about the Ontario Biodiversity Council and Ontario's Biodiversity Strategy. The Ontario Biodiversity Council is a multi-stakeholder organization with a membership of some 28 organizations from a broad constituency of industry and industry associations, environmental organizations, academia, aboriginal groups and the provincial government, which is formally represented by the Minister of Natural Resources and Forestry. The council is united in its efforts to conserve Ontario's biodiversity.

The council was first formed in 2005 to provide provincial-level oversight on the development and implementation of Ontario's Biodiversity Strategy. That strategy was renewed in 2011 as a 10-year provincial-level strategy, which broadly aligns with the global Strategic Plan for Biodiversity and its associated Aichi targets. Ontario's Biodiversity Strategy comes complete

with three high-level goals, four strategic directions and 15 time-bound targets, which, if achieved, will go a long way to conserving Ontario's biodiversity and protecting what sustains us. It is a daunting but very important task.

The provincial government deserves credit for responding to Ontario's Biodiversity Strategy with the release of their own government strategy, Biodiversity: It's in Our Nature. It sets forth the government plan to conserve biodiversity, of which Bill 37 is a very important part.

On May 19 of this year, the Ontario Biodiversity Council released the State of Ontario's Biodiversity 2015 report, a report you should all be familiar with. It documents the current state of biodiversity within Ontario and also provides a progress report against strategy targets. Although there remains a great deal to be done to achieve the targets, the government did achieve target 7 through the development of the Ontario Invasive Species Strategic Plan for 2012.

Bill 37 is the needed next step to effectively address the threat of invasive species. This bill has our support, with a few caveats that I'll mention later.

Invasive species are widely considered the second-greatest threat to native biodiversity, globally, nationally and provincially, exceeded only by incompatible land use and associated habitat loss. The threats of invasive species are immense, and they threaten many of our native species, both aquatic and terrestrial, which are being out-competed for life-sustaining resources. I am sure you are well aware of the emerald ash borer and what it has done and is continuing to do to Ontario's ash forests. From an aquatic perspective, we have witnessed the transformation of several of our Great Lakes due to the zebra mussel as well as the quagga mussel, and we are now on high alert for the Asian carp, just to name a few examples.

Invasive species also adversely affect our economy and perhaps most notably so for several of our renewable resource-based industries, like fisheries, agriculture and the forest industry. These industries have enough challenges, let alone the added risks of invasive species. They need our help, as does the rest of nature or biodiversity.

Climate change could also well exacerbate the problem as thermal barriers to range expansions of invasive species are removed, enabling further expansions of these species into regions where they are not native

and where they could do much ecological and economic damage. The mountain pine beetle in the west is a frightening example of that reality, with huge socio-economic consequences. Yes, the province is addressing climate change, but those added climate risks will remain for the foreseeable future. That is why we must have robust legislation that is both rigorously implemented and rigorously enforced. Bill 37 must get passed.

The Honourable Mr. Mauro and the Ministry of Natural Resources and Forestry are to be congratulated for bringing forth this essential piece of legislation. However, to achieve the intent of Bill 37 and the desired outcomes we all seek will require significant new resources and funds. Those resources and funds should be directed towards promoting awareness of this issue, preventing the introduction and the spread of invasive species, and promoting stewardship action to assist in their control and their eradication. It will offer a very significant return on investment. I ask that the government ensure that sufficient funds and resources are made available for both implementation and enforcement.

In conclusion, I encourage you to pass the bill and get on with the more important task of implementation and enforcement. It is in the best interest of Ontarians, our economy and the province's native biodiversity that we have been entrusted to conserve for all generations to come.

Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, sir. We'll begin now with questions from the official opposition. You have three minutes, starting now.

Mrs. Gila Martow: Thank you very much. I listened to what you were saying and I just wanted to mention a few things. One is, I think we all know the story about rabbits coming to Australia, which weren't native to Australia. That was sort of the first time, many decades ago, that I understood about the delicate ecosystem.

You're warning about climate change. What I would prefer to focus on—because "climate change" is a very general term and has gotten very politically charged, and it shouldn't be. I would prefer that we focus on pollution and clean water. How are pollution and different types of pollution affecting our ecosystems and endangering native species, or possibly helping other species come in and upset the balance? And the same thing for clean water. We really need to focus on what we are doing to ensure that we maintain the delicate ecosystems.

Look, sometimes you have to fight back—I guess that's my question to you—with bacteria and pesticides and things like that to maintain. It's not just enough to be vigilant with our borders. What are you advocating for?

Mr. Steve Hounsell: There's no question that pollution also is an issue. I believe right now, your government is also developing a pollinator strategy in terms of looking at some of the threats to pollinators, such as neonicotinoids, which this government is acting upon.

But I would first want to get back to that climate change issue. I would not dismiss it by any means. There is a very direct issue here in terms of invasive species.

Many species are limited by thermal barriers in terms of being able to move further. With climate change those thermal barriers are going to move, which means invasive species which are now limited because of climate will no longer be limited. They will be in new areas where they can cause tremendous damage. The mountain pine beetle, although it's actually a native, is an eruptive native that, because of the changing thermal barriers due to climate change, is now in areas where it was not formerly present and is causing huge damage.

The links between these two are very, very strong. We can't look at them in silos; we need to integrate the two issues. Pollution as well needs to be addressed, I agree.

Mrs. Gila Martow: Thank you very much.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Ms. Martow. Thank you very much, Mr. Hounsell. Now moving on to the NDP. Mr. Bisson.

Mr. Gilles Bisson: I have a very quick question. You talked about the need for the government to appropriate the necessary dollars to make sure that we enact the provisions under this bill. Have you had any indication that in fact it's going to happen?

Mr. Andrew Hounsell: That the government will do that?

Mr. Gilles Bisson: Yes.

Mr. Andrew Hounsell: I don't have an answer for that. My whole point is, if we are going to pass legislation, we need to enable it through adequate resources and funding to ensure that we can actually deliver the outcomes that we hope to have. That's the caveat: Make sure that it's adequately resourced, period.

Mr. Gilles Bisson: One of the issues that we have here in the Legislature is that often, legislation is put forward and it's passed, but there's no commensurate appropriation of funds in order to make it happen. Most of what the MNR does by mandate they can no longer do because they don't have the dollars to do it. That's why I was asking.

Mr. Andrew Hounsell: Sir, that is the point indeed: to ensure that we actually look at that side of the equation. Otherwise, we will have perhaps a very fine piece of legislation that cannot actually be enforced because it is not adequately resourced and funded.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Hounsell, again. Thank you very much, Mr. Bisson from the NDP. Now moving to the government side, thank you very much, Ms. McGarry.

Mrs. Kathryn McGarry: Thank you, Chair, and welcome. I live in North Dumfries township in the last remnants of the Carolinian forest. Near us, the rare Charitable Research Reserve looks after an incredible jewel in our own ecology in Cambridge, which does a fair bit of work around our local biodiversity, so it's certainly an area of work that I really appreciate. I'm very, very glad to see that not only was the Ontario Biodiversity Council formed in 2005, but it was a result of our province's strategy. The fact is that you hosted the first-ever Ontario Biodiversity Summit in 2015, which I wanted to go to and couldn't, unfortunately.

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I want to thank you again for the work that you've done and reiterate how important it is to our overall strategy, moving forward, on how we deal not only with biodiversity and the threats that you indicated, but also the threat that invasive species pose.

I'm just wondering, after you released the report in 2015, in May, can you tell us what the report's conclusions were with regard to the threat of invasive species on Ontario's biodiversity and trends that have become apparent?

Mr. Steve Hounsell: In terms of threats of invasive species, it remains a very significant issue. We can say that in terms of the number of at least alien species, not all of which are invasive, the number of alien species entering the Great Lakes has certainly been reduced significantly because of proactive efforts to control that. Nevertheless, there are still some very, very significant threats. You know very well about the Asian carp. Should that get into the system, it would be huge.

We still have other issues with terrestrial invasives, as you know. I mentioned the emerald ash borer just as one of several that we need to keep our eyes on very carefully. So the threat remains, and that is why I believe that this piece of legislation is very important and why we need to enable folks who are on the ground and promote awareness such that they can contribute both to control as well as prevention.

Mrs. Kathryn McGarry: Thank you. In order to prevent, detect and respond to invasive species, what are some targets that could be used to measure the success of combatting them and strengthening our biodiversity?

Mr. Steve Hounsell: Again, one of the simplest things would be the number of species that have been found within the province. We have, I think, a fairly good handle of what we've already been able to detect. Ongoing monitoring, broad-based monitoring, I think is essential such that we can determine whether in fact the rate of new invasives is slowing and if, in fact, we can actually get to the point where we can take some off the list, meaning that we can successfully eradicate. But without a doubt, monitoring is important. Otherwise, how would we ever know whether we're winning or losing the game?

Mrs. Kathryn McGarry: I appreciate that.

The Vice-Chair (Mr. Jagmeet Singh): There are 10 seconds remaining.

Mrs. Kathryn McGarry: Thank you. And who should do the monitoring?

Mr. Steve Hounsell: Ah. That's a good question. I would certainly hope that the government would enable funds. There are a number of organizations that are involved in monitoring, meaning environmental organizations; citizen-scientists are certainly involved in that. But without a doubt, we do not have the current capacity to do that, and I would suggest that there are probably going to be other organizations, including the Invasive Species Centre, that might be able to provide a better answer for that.

The Vice-Chair (Mr. Jagmeet Singh): Thank you so much. We've gone over just a couple of seconds; not a problem. Thank you very much, Ms. McGarry, and thank you, Mr. Hounsell. I think that completes this round. Thank you so much, sir.

COMMUNITY ENTERPRISE NETWORK INC.

The Vice-Chair (Mr. Jagmeet Singh): Our next presenter is the Community Enterprise Network and Mr. Jeff Mole, the president. Please take a seat, sir. Thank you. You heard the comments earlier. You have five minutes to present, so please begin.

Mr. Jeff Mole: Good afternoon. My name is Jeff Mole, president of Community Enterprise Network Inc. Our mission is to give Ontario communities the tools they need to participate in government procurement in a way that profits will be reinvested in Ontario. We are a not-for-profit in the business of helping communities develop community enterprise.

I'm here today to speak in support of Bill 37, the Invasive Species Act. We ask that the committee consider amending the bill to prioritize community enterprise for the delivery of services required to eradicate invasive species.

A community enterprise is a not-for-profit corporation that meets a need and provides benefits. A community enterprise is run by a group of people who get together to develop a business that creates jobs and generates economic activity with a view to investing any surplus or profits for the betterment of Ontario. Community enterprise is an alternative to privatization of public services. Community enterprise delivers competitive services while reinvesting surplus revenues in education, health care and community betterment. Community enterprise can help reduce the size of government while providing better use of taxpayer funds.

The bill discusses at length eradication of invasive species and states, "The minister may enter into agreements relating to the control and management of invasive species in Ontario." This is good stuff; however, who will do the work to achieve the control and management of invasive species in Ontario and who will fund the initiatives? Our concern is that the work will be outsourced to the private sector with little or no regard for the social enterprise strategy for Ontario launched by the government in 2013. This strategy is the province's plan to become the number one jurisdiction in North America for businesses that have a positive social, cultural and environmental impact while generating revenue.

To meet the goals of this strategy, we believe the government needs to take a strategic look at community enterprise for all government procurement. Our expertise is in the field of broader public sector procurement services.

Chair, how much time do I have?

The Vice-Chair (Mr. Jagmeet Singh): You have just under three minutes.

Mr. Jeff Mole: Our mission is to help community enterprise in the following areas: school busing, farming and local food processing and distribution, mining in the Ring of Fire, energy generation and distribution, liquor and beer sales and distribution, toll highways, highway maintenance, resource extraction and processing, waste management, energy from waste, invasive species eradication, wireless communications, data warehousing, attainable housing and community building, untapped retail markets, real estate development, insurance, and more.

In our expertise, mobilization and access to affordable capital are the main hurdles to building a strong community enterprise sector in Ontario. Our goal is to work with government to help overcome these hurdles by recruiting directors, raising funds and building membership to help grow strong community enterprise in Ontario. We provide the expertise needed to seek out public service opportunities, engage communities and develop business opportunities for community benefit. We are coordinating an initiative to help develop a province-wide network of large-scale community enterprise.

We can't do it alone. We need a government that understands the need to invest in growing the community enterprise sector for delivery of services. Accordingly, we encourage the members to amend the bill to create a pilot project to help social enterprise be part of the procurement related to projects to achieve and control the management of invasive species in Ontario. Furthermore, we encourage the members of this committee to bring forward a community enterprise act. This act would help facilitate the mobilization of communities and financial resources for developing the capacity of community enterprise to play a role in public sector procurement and the delivery of publicly funded services. Communities must have adequate tools to do the jobs that governments have abdicated. This is a conversation that is long overdue.

I look forward to your questions and a motion to amend the bill.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Mole. We'll begin now with the NDP in the first rotation. Mr. Bisson—no questions?

Mr. Gilles Bisson: I'm good. It's pretty clear.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, sir. We'll move now to the government, and it's Mr. Thibeault.

Mr. Glenn Thibeault: Thank you for being here today, Mr. Mole. Listening to your presentation, you mentioned a couple of things that kind of flagged my interest. The delivery-of-service piece, I think, is the one I'd like to ask you a question on.

I guess maybe, if this is passed, could you be a little more specific on the ways that the community enterprise networking could enhance the implementation of this act?

Mr. Jeff Mole: Let's take, for example, phragmites as an invasive species. You'll see it up and down every 400-series highway. You'll see it in wetlands. You'll see it

pretty much everywhere all over Ontario these days. It's a huge, huge problem. Somebody needs to take control over eradicating that invasive species.

Now, there are some working groups out there. These are not-for-profit organizations that are doing the job, and frankly, probably doing a really good job for the limited resources that they have. But everything related to doing work for the government is a proponent-driven process. There needs to be a proponent engaged in eradication or prevention of giant hogweed or phragmites or whatever. There needs to be a proponent mobilized. I think there are proponents mobilized for phragmites, but those proponents don't have access to affordable capital to do a good job.

The tendency would be for government to outsource that to the private sector. So for instance, we might hire Carillion, a multinational company, to come in and learn in Ontario how to eradicate phragmites, do a great job of learning that and take that technology and sell it elsewhere in the world. So we, the taxpayers of Ontario, put the investment into the knowledge necessary to do the job, only to have it taken by the private sector for their own gain, whereas the people of Ontario expect a better return on investment for our taxpayers.

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Mr. Glenn Thibeault: My time, Chair?

The Vice-Chair (Mr. Jagmeet Singh): You have one minute left.

Mr. Glenn Thibeault: One minute? Quickly—

Mr. Jeff Mole: I don't know if I can do that.

Mr. Glenn Thibeault: I guess you're talking specifically about trying to empower communities.

Mr. Jeff Mole: Yes.

Mr. Glenn Thibeault: Maybe you could speak to that a bit. And of course, you talked about one or two amendments. If you can kind of—

Mr. Jeff Mole: Sure. It's a proponent-driven process. Mobilization is the issue. We need to give community enterprise the tools to form these corporations, recruit the board of directors, set up the objectives of the corporation and get to work doing the work. Mobilization is the one hurdle; access to affordable capital is the other hurdle. I think that answers your question.

Mr. Glenn Thibeault: Yes. Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Mole. Thank you very much, Mr. Thibeault. Now we're going to continue with the Conservative Party and Ms. Martow, please.

Mrs. Gila Martow: Thanks for coming in. Two things: I wanted you to maybe give an example of some successful project that your group undertook so that we could learn a little bit about how you implement things, and whether or not you go to schools and—I don't know if this is on the curriculum directly, but I really think this should be on. Bring it to the attention of the Minister of Education that this could be something that's on the curriculum, because we all know with smoking that we get to the kids and they get to the adults.

Mr. Jeff Mole: Sure. With the community enterprise act that I propose you bring out, we can start to have that conversation.

But the bottom line is that with what's going on right now—you're asking about an example, if you will. The best community enterprise example I can think of in Ontario is the Greater Toronto Airports Authority. When the federal government decided they wanted to get out of the business of running airports, they basically formed a not-for-profit corporation and handed them a 400-page lease and said, "Fill your boots. Go out there and run this business." I guess people could say good and bad things about the airport, but at the end of the day that organization brings in \$1 billion a year in revenue, and there are no shareholders getting rich off it. The same thing could happen with Hydro One and government insurance. There are all sorts of applications for this model across the broader public sector.

The bottom line is, it reduces the size of government and gets better value for taxpayers. I think that's what your party is all about, so I would hope that you would support it.

Mrs. Gila Martow: We just have to ensure, though, that the government can't then sell those not-for-profits.

Mr. Jeff Mole: They can't because they're no longer in control. These are just the same as a private sector corporation. The only difference is that any of the profits that are generated are reinvested in Ontario rather than being extracted from the province for multinational shareholders.

Mrs. Gila Martow: I'm being a little tongue in cheek because they are trying to sell Hydro One—

Mr. Jeff Mole: Of course, and I think this model would apply to Hydro One. Like I said, the Greater Toronto Airports Authority makes \$1 billion a year in revenue.

Mrs. Gila Martow: Thank you very much.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, Ms. Martow. That completes this round. Thank you, Mr. Mole, once again.

Mr. Jeff Mole: Thank you, Mr. Chair.

ONTARIO FEDERATION OF AGRICULTURE

The Vice-Chair (Mr. Jagmeet Singh): Our next presenters are from the Ontario Federation of Agriculture. Mr. Don McCabe and Peter Lambrick, are you present?

Mr. Don McCabe: Yes.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. Welcome, gentlemen. Are you ready to proceed?

Mr. Don McCabe: Yes, sir. Thank you, Mr. Chairman.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. Five minutes, beginning now.

Mr. Don McCabe: Thank you for the opportunity to be here today to bring forward our submission.

The Ontario Federation of Agriculture is Canada's largest voluntary general farm organization. We represent more than 37,000 farm businesses across Ontario.

The OFA supports the principle behind the proposed Invasive Species Act and, in that light, I also wish to ensure that this committee knows that we're a member of the Ontario Biodiversity Council. We fully agree that invasive species threaten biodiversity, as native species are at risk of being overwhelmed by invasive species. These species also pose a threat to farmed livestock, poultry and crops. Therefore, we need to come and take a hard look at the broad powers that are in this proposed act that are not necessary to achieve the goals of this act. There are no checks on these powers, and we find that troublesome.

In Ontario's haste to develop ways and means to identify and respond to invasive species, the OFA feels there's been a lost sight of the need to carefully balance public goals with individual rights. We point out that there is the federal Plant Protection Act that does cover off the issue of preventing importation, exportation and spread of pests by controlling or eradicating the pests in Canada. Also, Ontario's Weed Control Act focuses on specific weeds, as named in the noxious weeds list, that negatively impact agriculture and horticulture.

The wish of the OFA is to ensure that these jurisdictional overlaps are addressed within the confines of this act. Therefore, to be truly effective, the Minister of Natural Resources and Forestry must be in constant communications with federal and provincial ministries and agencies whose current mandate overlaps the intent and purpose of the proposed Invasive Species Act.

Secondly, in the absence of a clear definition of roles and responsibilities in addressing these invasive species, we fear farmers may be caught in the middle. Therefore, moving to the area of definitions, "harm to the natural environment" includes any adverse effect to biodiversity or ecological processes or to natural resources and their use." This definition is vague. What constitutes harm to the natural environment? There's no description of what constitutes an adverse effect or what natural resources and their uses are.

The OFA recommends that the definition of "harm to the natural environment" be rewritten to clearly define an adverse effect to natural resources and their use.

Moving ahead to some other points—because there's another point here I'm skipping in the interest of time—to the classes of invasive species, which is subsection 4(2), listed invasive species would fall into one of two classes: significant threat invasive species or moderate threat invasive species. The proposed act would benefit from clearer language for the determining of characteristics of each of these classification categories. We would recommend replacing "significant threat invasive species" with "prohibited," and "moderate threat invasive species" with "regulated," the purpose being, these terms are better understood by Ontarians and would be picked up on much quicker.

On the issues of only protecting provincial parks under "Prohibitions, moderate threat invasive species," section

8(1), we find this to be a tad limiting. The reality should be that all lands—provincial parks, conservation reserves, crown or private—merit protection against an invasive species becoming established. The OFA recommends that the restricted protection afforded to provincial parks or conservation reserves be dropped, making the current moderate threat invasive species prohibitions apply to all of Ontario.

When it comes to prevention and response plans, we're encouraged by the provisions outlined in "Prevention and response plans." We recommend these plans include prior consultations with agricultural associations and other stakeholder groups to ensure that proposed response measures do not threaten existing activities. That does not mean that we need another COSSARO group, as is currently formed under the Endangered Species Act. We have found that to be way too academic and way too wieldy to actually deal with issues on the ground.

Under issues of surveys for the purposes of detection, which is section 16, we find that farm biosecurity is not mentioned within this section. This is a concern for us in the agricultural sector when it comes, then, to also warrantless searches that are identified in here and issues of accessing time of farmers.

Again, we've highlighted all these issues within our more formal brief, which we have submitted.

With this, I will close off my remarks and look forward to questions.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, sir. Right on the dot—five minutes, to the dot. We'll begin with the government for questions. It is Mr. Anderson. Please begin.

Mr. Granville Anderson: Hi, Don. Welcome.

Mr. Don McCabe: Good day, sir.

Mr. Granville Anderson: Good to see you. In drafting this legislation, I know that there was a lot of thought given to how we would list invasive species. The proposed legislation would require that the listing of a species would be determined by ministry officials—biologists, hydrologists, policy developers etc. This decision would then be posted on the Environmental Registry to solicit feedback and input from stakeholders and the public for just the listing of species. How would the Ontario Federation of Agriculture prefer these decisions be made? Should a separate, arm's-length body be created to make these evaluations?

Mr. Don McCabe: The Ontario Federation of Agriculture would like to see the listing of these species be done with the greatest degree of speed available while ensuring scientific integrity. Therefore, the issue of going through a process of extended hearings over things like phragmites, which has essentially attacked the province with great vigour, is somewhat redundant in the eyes of the OFA.

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On the same token, we as farmers are sometimes bringing in new seeds and new opportunities. For example, soy beans were not native to this soil; Charolais

and Holstein cattle were not native to this soil. It would be very simple, I think, to start off with basic principles and then build a process out from there that expedites this. If the EBR process is to be used, we need to look at those days of hold-up to get information back and then summarized, because we end up losing seasons of activity on certain things when you need to act much quicker than that.

Mr. Granville Anderson: Having said that, are there ways the OFA would work with Ministry of Natural Resources' officials and enforcement officers, and the OFA's own members, to enhance the implementation of the Invasive Species Act, if passed?

Mr. Don McCabe: I thank you for the question. The Ontario Federation of Agriculture would welcome the opportunity to work with the officers involved and the people involved here on issues of illustrating biosecurity. We've done that in source water protection plans. It's also the issue of informing the agricultural community in the opposite direction of what is needed, the control methods that might be available and opportunities to then eradicate the species.

As an example, again, of phragmites, it is currently occupying many municipal waterways and therefore blocking farmers' water from leaving, and the stuff will naturally then move into a farmer's field. Without proper control measures—which we do not have available to us right now—this stuff will continue to spread. So we look forward to a two-way relationship with the government to move these issues along.

The Vice-Chair (Mr. Jagmeet Singh): Thank you so much, sir. The time is up now. Thank you very much for the question, Mr. Anderson.

We go on to the official opposition. Mr. McLaren.

Mr. Jack McLaren: I assume you have in mind some amendments to this bill. Would you care to articulate some of them and maybe in list of priority? What amendments would you want and what are the most important ones?

Mr. Don McCabe: I think clearing up definitions is of vital importance because the initial definitions in the document resonate throughout. Therefore, I have already made reference to the issue of harm around the environment. One that I did not touch on is the issue of natural environment or natural area; it's highlighted in the bill. The OFA feels that this should be expanded to human-altered landscapes or urban landscapes because you can have certain things that have been brought in—somebody thought it was great for a perennial to be planted in their backyard only to find out it was invasive. The issues around acknowledgement of biosecurity are very, very high to the needs of the agricultural industry. The issue around a clear understanding that warrantless searches are absolutely not necessary on this particular initiative, with proper communication—again, that has been outlined in our submission.

Mr. Jack McLaren: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): With no further questions, we'll move on to the NDP. Mr. Bisson?

Mr. Gilles Bisson: Do you find that this consultation process of committee is sufficient to allow you to properly deal with your amendments, given you had about five minutes?

Mr. Don McCabe: I'm hoping that the brief that has been submitted by the Ontario Federation of Agriculture will be taken into consideration by the committee, along with the other information here, to find the balance of information that's required. Of course, the OFA will be engaging in other opportunities to talk to folks on this bill. But it's always tight.

Mr. Gilles Bisson: I recognize that the OFA is very active here at the Legislature. It's just my personal thing; I just find these processes of committee much more rushed than they used to be. For example, an organization like yours, in the past, because you're an organization, would get at least a half hour to be able to present in a sufficient question and answer process, and it would be a longer committee process to deal with the amendments. But that's just my feeling.

One of the things that you talk about in your bill is the need to have a better definition of animals and specifically farm animals, because you're saying that many farm animals that we have in Ontario are not native to the province and that you need an amendment in order to make sure that in the future, if there are other types of animals we bring in, we don't get caught up in invasive species. Is there a specific animal or situation that you can point to?

Mr. Don McCabe: In history, I could, but I don't wish to speculate on the reality of what is going to happen tomorrow. We have to also understand that we have a very urban population, or a population of Ontario in general, that is becoming more diverse in its origins, and they will be looking for certain foodstuffs and other things that are also not native to this land. So it's not only animals but plants, and by having the appropriate criteria in place in the first place, you avoid these sorts of issues.

In history, we had recent examples of looking at perennial crops for use as biofuels, and some of those were, "Well, you can't use it because it's invasive," and when the research was done, it was being used as a scare tactic to halt an industry.

Mr. Gilles Bisson: Okay.

The Vice-Chair (Mr. Jagmeet Singh): No further questions? Thank you very much, Mr. Bisson.

Thank you, once again, for your presentations and for your time here.

LANDSCAPE ONTARIO HORTICULTURAL TRADES ASSOCIATION

The Vice-Chair (Mr. Jagmeet Singh): Our next presenters are from the Landscape Ontario Horticultural Trades Association. We have the representative regarding invasive plants issues, Jeanine West. Thank you so much for being here, Ms. West. You have five minutes to present.

Ms. Jeanine West: On behalf of Landscape Ontario, I thank you for the opportunity to comment on Bill 37.

Our sector is one that provides significant quality-of-life benefit to individuals and the general public through landscaping and greening our outdoor spaces. Our sector is the original green industry, and our motto is, "Green for Life." Our sector is committed to providing the right plant for the right place, and ensuring the long-term success of urban and rural landscapes.

Human development creates difficult environments for native plants to establish and prosper, leaving horticulturalists looking for tougher, more successful plants to grow in these poor soil conditions. If you look around some of our more successful landscapes and roadsides, you will see a mixture of non-native and native plants that together make up important bio-diverse ecosystems.

Many of the now-considered "invasive" plants were introduced as edibles and ornamentals over 100 years ago, before the North American nursery trade was really established. Today, our consumer groups demand new introductions, new colours and plants that bloom all season. In Canada, the nursery sector looks beyond our borders for plants that meet those market expectations, as well as being able to survive in those urban spaces. Thanks to advanced breeding techniques, several of our new ornamental cultivars can meet those requirements while producing few, if any, seeds.

In the 1950s the CFIA started inspections on plant imports, and over the last 65 years there have been many changes to prevent importation of invasives. Extensive pest risk assessments are now required before importing new introduced plants for sale in Canada. The movement of high-risk plants is also restricted to prevent pest movement within Canada.

The CFIA has also created a nursery certification program, wherein nursery growers evaluate and better manage the risks associated with imports. Many nursery growers across Canada have adopted a voluntary domestic certification program called Clean Plants, and implement best practices from both certification programs. Our members continue to work closely with the CFIA to protect our environment, as well as on their own farms.

Our sector is keen to participate in finding solutions and in being proactive to improve our approach to better management and prevention of invasive plants. We are eager to be part of the scientific process in determining which plants will be designated as invasive. Our growers have a lot of knowledge to share. They have lifelong experience determining what grows best, and where.

We are concerned that there is a lack of objective, science-based data on which to form decisions for how invasive plants will be defined and determined, and believe there is insufficient recognition of cultivar differences within a species. We encourage the ministry to engage non-partisan scientific agents to create a pest-specific yet consistent approach to determining invasiveness, taking into account a number of criteria, which I have listed and that you have a copy of.

Ontario nursery businesses are the result of lifetimes and, as I've mentioned, several generations of hard work

in a market that experiences challenges and downturns almost continuously. Because trees can take seven to 10 years to become salable, any change in market demand can result in significant losses in sales and costly destruction of inventory. Over the last few decades, our sector has had to deal with several significant invasive pests such as the emerald ash borer. The Ontario nursery industry has had to absorb huge losses in revenue due to unsalable ash trees. Would you want to buy an ash tree thinking that it could be dead from a beetle attack?

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Because of stressful urban conditions, we do rely on non-native trees and shrubs to green our cities. A good example, which is on the grounds of Queen's Park, is the very popular burgundy-leaved Norway maple cultivar Crimson King. This is a special cultivar that has low seed production and germination rates compared to the original green-leaved species. Crimson King is an excellent urban tree and it poses very little invasive risk. In fact, some jurisdictions in the USA have exemptions for these cultivars of Norway maple in their invasive species legislation. We think it is very important that these biological differences be considered when regulations are being developed.

In closing, I would like to reiterate our two main concerns: (1) the process for determining invasiveness, and (2) the consideration of the economic impacts of placing plant species on regulated lists without rigorous scientific risk and social impact assessments.

We are an organized, responsible group of professionals, and we are committed to making sustainable changes to the benefit of our environment. Our sector encourages the Ontario government to engage us and recognize our sector for what we can contribute both to this process and to the future of landscapes.

Again, thank you for the opportunity to speak with you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Ms. West. We'll begin with the official opposition and Ms. Martow.

Mrs. Gila Martow: Thank you very much for your presentation. What I see just in my experience is that people want to help, people do want to be engaged, and they just don't know where to get the information. I think there is a lot of information from landscapers and nursery operators in terms of supporting people, because people are just not aware. They go to Cape Cod on vacation and they decide to pick some of the lavender because it looks so pretty. Maybe they should be bringing that back and maybe they shouldn't. I've had people even say to me—you know, I see an interesting plant or something in their garden, and they have brought it from vacation in plastic with a bit of water.

So I think what we really do need is much better public education. Do you have a website where people can go and ask questions? Are you guys able to cope with something like that?

Ms. Jeanine West: We have an open website right now with Landscape Ontario. We don't have a specific

blog for invasives, but certainly we could work with the Ontario Invasive Plants Council to link that. We are on the board as well of the OIPC, so we have good communication and materials, accessible.

It is important, as you did note, that a lot of times it is individuals bringing in or moving around a species that can cause a problem. Organized trade isn't really one of the big importing factors at this point. So education is very critical, and I think that collaboration with OIPC—there's a Grow Me Instead program that a lot of the nursery growers are supportive of.

Mrs. Gila Martow: What's it called?

Ms. Jeanine West: Grow Me Instead. You'll hear about that tomorrow. OIPC is presenting tomorrow afternoon as well.

Labelling changes are something that we could look at to help educate consumers as to what they're buying and where something would work better. A lot of our nursery growers will do that and are really consultants for, "Oh, yes, this will grow here," and, "No, that's not a good idea. Don't do that there. It's going to be too aggressive," for example.

Mrs. Gila Martow: Thank you very much.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Ms. Martow. Moving on to the NDP, Mr. Bisson.

Mr. Gilles Bisson: I appreciate that you've put your suggested amendments into the package. Are there any other ones, other than what's in there?

Ms. Jeanine West: Those are the key ones that we would like to see. They deal with looking at the fine structure, looking at how to define the process and make sure that cultivars' specifics are considered.

We reiterate the OFA comments that we do have concern about biosecurity issues because that is something that is very strong. We had to actually work with CFIA quite strongly to teach them that that's a very critical thing for our farms.

Mr. Gilles Bisson: So there's nothing missing in that package that you gave us?

Ms. Jeanine West: Nothing substantial.

Mr. Gilles Bisson: Okay. That's good.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Bisson. Now moving to the government, Mr. Dhillon.

Mr. Vic Dhillon: Thank you very much. Thank you, Ms. West, for your presentation.

The first question is, for the proposed legislation to be successful, it is important that stakeholders, the public and horticulturalists are aware of the legislation and understand what is and what is not permitted. Are there ways that the proposed Invasive Species Act could be changed to provide greater clarity to the public and horticulturalists?

Ms. Jeanine West: I think right now the act itself is very vague, and I understand it was created that way in order to allow the regulations to iron out those specifics, but I think the horticulturalists have good mechanisms for accessing information. There's a very large member-

ship. Landscape Ontario has over 2,000 members. It's a very strong organization throughout the province. So within our sector, we have very strong ways to communicate and will be very successful. With the general public, I think it will need to be through the retail system, which Landscape Ontario can also support.

Mr. Vic Dhillon: The Invasive Species Act would require broad consideration of ecological, economic and social impacts and benefits before a regulation is passed. Understanding your concern in regard to the potential effects on horticultural business, do you think this would be reduced if only species that posed a significant threat to native species were considered prohibited?

Ms. Jeanine West: I might need you to repeat that.

Mr. Vic Dhillon: Sure.

Ms. Jeanine West: You're questioning if Landscape Ontario will have challenges meeting the specific—

Mr. Vic Dhillon: Correct.

Ms. Jeanine West: There definitely will be market impacts from the act if specific species were to be regulated. For example, Crimson King: There are hundreds of thousands of these grown, and each one of them is worth approximately \$100 and up, depending on the size. The market impacts would be very significant.

Vinca—for example, periwinkle—is a very early flowering plant. It's a great flowering plant early in the spring when there aren't a lot of other flowering plants in urban environments for pollinators, and there are growers whose entire business depends on sales of one item. There are very significant impacts to our sector.

Mr. Vic Dhillon: Thank you very much.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, Mr. Dhillon. That completes the session. Thank you very much, Ms. West, and thank you for your presentation.

Ms. Jeanine West: Thank you.

ONTARIO NATURE ECOJUSTICE

The Vice-Chair (Mr. Jagmeet Singh): The next presenter is from Ontario Nature. We have two presenters: the director for conservation education, Anne Bell, and a lawyer from Ecojustice, Laura Bowman. You're both present. Thank you so much and welcome.

You have five minutes to present, so feel free to—

Dr. Anne Bell: All right.

The Vice-Chair (Mr. Jagmeet Singh): Are you ready to begin?

Dr. Anne Bell: I'm ready and I'll go fast.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. No problem. Please begin.

Dr. Anne Bell: To the committee members and everyone here, thanks so much for this opportunity to present on behalf of Ontario Nature.

Has my slide deck been passed out?

Interjections: Yes.

Dr. Anne Bell: Excellent. So if you flip to the second slide, you've got information there about Ontario Nature.

We are a provincial conservation organization, a charitable organization, representing over 150 member groups and over 30,000 individual members and supporters across Ontario. Our mission is to protect wild species and wild spaces.

As was mentioned, I have here with me Laura Bowman, who is representing Ecojustice. They're another environmental charity. We've worked very closely together on this set of recommendations that you have before you.

We would like to begin by thanking the government for introducing this bill, first of all, and all of the parties for supporting this bill. With that being said, however, I'd like you to turn to the third slide. I think there are a number of very fundamental issues that need to be addressed for this bill to really work well as a piece of legislation. These issues are: first of all, the lack of clear direction, which should emphasize precaution and prevention, and I've got five recommendations addressing that particular issue.

The second is the lack of a transparent, science-based process for listing. I understand that the previous speaker spoke about this as well. We have a recommendation about that.

The third is what seems to me to be a rather heavy-handed approach to dealing with landowners who may unwittingly possess a significant-threat invasive species on their property, coupled with a lack of support for stewardship to control and eradicate invasive species. We have a few recommendations around that.

The fourth is the fact that there's no acknowledgement of aboriginal treaty rights in the bill. I think that's something that also needs to be addressed.

If you will flip to the next slide, our first recommendation is to include a clear purpose section that prioritizes science-based listing of invasive species, prevention, interjurisdictional co-operation, and support for stewardship in the control and eradication of invasive species. What you see on this page are black words, which are our recommendations, and red words, which are our suggested amendments to the bill. The actual wording changes are going to be in red throughout this presentation.

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I hope you will agree that a clear purpose statement, like the one that we've proposed here as an example, is critical to providing direction for those who have to implement the law, for those who have to obey the law, and for those who have to interpret the law in the courts. A clear purpose section tells us what this is about and what the government is trying to achieve through this piece of legislation and all the people who have to implement it.

If you flip to slide 5, we have another closely related recommendation, and that is to include a preamble in the act. Include a preamble to inform interpretation and implementation of the legislation, including a precautionary approach that emphasizes prevention. A preamble like the one that we've provided here provides additional

direction, but it also provides the context for the law, why the law is needed and, again, what it's trying to accomplish.

I hope that everyone here agrees that the purpose, the preamble and the entire bill need to focus on prevention—prevention and precaution—because, as we all know, once an invasive species arrives and once it gets established, it's incredibly costly to deal with and can be impossible to control or eradicate. That's why we need that emphasis throughout the bill, and I think a clear purpose statement in the preamble could really help in that regard.

On slide 6, you'll find our third recommendation: to revise sections 7 and 8 to include a prohibition on permitting a significant- or moderate-threat invasive species to be brought into Ontario. Simply put, there are three ways of committing an offence under a piece of legislation. One is by doing something, one is by causing something, and the third is by permitting something. The bill currently doesn't address that third piece. We can't permit these things to be introduced, etc. into the province. I think if you have questions along these lines, Laura would probably be the best person to answer them, about the importance of that kind of language in the bill.

You'll see that we've included in the red language "deliberately or accidentally," and that's because we want to make sure that offences under the act are interpreted as strict liability offences. That means that negligence actually counts. You don't get off just because something is an accident. You have to take things into account, but that's not a reasonable reason for not actually finding somebody liable under the act.

On slide 7, our fourth recommendation is to revise section 13 to require that prevention and response plans be prepared for all significant-threat invasive species. We believe that the development of these plans will be key to effective, coordinated action. They should be mandatory, not discretionary, and that's why the current language, which is "may," should be replaced by "shall." It has to be required. These plans have to be developed, and they should be developed—

The Vice-Chair (Mr. Jagmeet Singh): Dr. Bell? My apologies. We've gone 30 seconds over. I wanted to give you some latitude because—

Dr. Anne Bell: Oh, darn.

Mr. Gilles Bisson: You can take my time.

The Vice-Chair (Mr. Jagmeet Singh): Okay, that's perfect, because the next rotation would go to the NDP and Mr. Bisson is offering you his time, so please continue.

Dr. Anne Bell: Thank you very much. All right, I'm going to have to speed up.

I'm going to flip then to the next piece, which is around science-based listing. Again, it's a small word change around "shall make regulations." Right now the Lieutenant Governor in Council "may make regulations." It should be "shall make regulations." We need to list species under this act because if they're not listed, nothing ensues. It has to be mandatory, and we think that

it should be a science-based process. If you turn to slide 9, that's what that addresses. We need a science-based process, and we've provided details there in red about what we're talking about. The bill has significant implications for everybody and that's why we need a science-based, transparent process.

Recommendation 7, on the next page, is about ensuring that, at the end of the day, we invite landowner co-operation. We actually have three recommendations along these lines. We can't use this law as a hammer on landowners and other people. We need to invite participation, and that's what the details of all of this are about. I'm happy to respond to any questions about that. So that's recommendation 7.

Recommendation 8 goes along the same lines. It's about a stewardship program to support involvement.

Recommendation 9 is again about tempering the powers of government to bring down the hammer on individual landowners.

Finally, the last recommendation on the last page is about aboriginal and treaty rights and making sure that these are acknowledged in the legislation, which they aren't currently.

Sorry to have gone over time.

The Vice-Chair (Mr. Jagmeet Singh): No, not at all.

Dr. Anne Bell: Are there any questions?

The Vice-Chair (Mr. Jagmeet Singh): Mr. Bisson, you still have about a minute and 20 seconds.

Mr. Gilles Bisson: I'm good.

The Vice-Chair (Mr. Jagmeet Singh): No questions. Thank you very much.

We'll move on to the government side now. Ms. McMahon.

Ms. Eleanor McMahon: Thank you, Dr. Bell. Thank you, Laura. What a fabulous presentation.

If I can preamble two things—tremendous way of clarifying and articulating your concerns, but also to have them in the context of suggested answers and proposals to improve legislation to strengthen it. Wow, really well done and very, very comprehensive.

Dr. Anne Bell: Thank you.

Ms. Eleanor McMahon: It's probably why you ran over. Right? Because you had so much to say. Congratulations; take a breath.

Two things if I may: If you could expand a little bit—I guess this is Laura's area. You talked about doing, causing and permitting. Can you expand a little bit on the permitting piece? Then, if I have time, I'd like to ask you something else.

Ms. Laura Bowman: Sure. One of the differences between the way the Invasive Species Act deals with bringing invasive species into Ontario versus the way some other legislation, for example the federal Fisheries Act, deals with the same thing is that there can be a lot of situations where there's an indirect process. In the Fisheries Act it typically occurs in the context of pollution, so somebody dumps oil on the ground and the oil then enters a river. The permitting word is the word that has been interpreted by the courts to allow you to still convict

someone of that offence even though they're not directly putting the oil into fish habitat.

Similarly, we feel that that permitting word should be here for invasive species. Just as with oil draining into a river, you could have invasive species that are permitted to enter Ontario by somebody indirectly, and we'd like that to be captured by the offence.

Ms. Eleanor McMahon: Terrific. Second question—do I have time, Mr. Chair?

The Vice-Chair (Mr. Jagmeet Singh): Yes, you do.

Ms. Eleanor McMahon: I'd like you to shed a bit of light, because your presentation was so thorough, on stuff that may be outside the act but still is germane, I think. It has to do with education and awareness.

I'm the parliamentary assistant to the Minister of Natural Resources and Forestry. I hear a lot about phragmites and other invasive species, but I hear a lot about the public's role in preventing—you talked about prevention, and I heartily agree—the promulgation of invasive species and what role we might play, perhaps in the legislation and otherwise, in terms of providing that education framework.

Ms. Laura Bowman: I think it's important to understand that the current legislation creates some obstacles to that. One of those obstacles is that currently there's liability for possession. So if I want to engage in a stewardship program on my property, right now there's a lack of clarity in the act about whether or not I need to actually apply for a permit to do that and whether or not I'm committing an offence in the first place by simply having it on my property and then reporting myself by contacting the ministry to ask for that kind of advice. We'd like that to be built into the act, that there are some exemptions for people who are genuinely trying to engage in stewardship programs so that they're not liable for offences, and that there's a process for giving those people some direction about how to do that appropriately either through prevention plans or codes of practice or something like that, which are currently not enabled by the act. Financial support for stewardship programs is equally important.

Ms. Eleanor McMahon: That's very helpful. Have you articulated that in your presentation?

Ms. Laura Bowman: Yes.

Ms. Eleanor McMahon: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Sorry, Ms. McMahon. We've gone over 20 seconds, but I'm okay just to finish the last question—did you complete your thought?

Ms. Eleanor McMahon: I think we're done. Thanks very much.

The Vice-Chair (Mr. Jagmeet Singh): Okay. Thank you so much. Now we move on to Mrs. Martow from the official opposition. Please begin.

Mrs. Gila Martow: Thank you for joining us and for your presentation. I think that maybe you have some examples because you've said a couple of times that any solutions or any proposals have to be based in science. What concerns us is that we can all have the best of

intentions but we can't just go around guessing at things. I've been saying—I think you've been here for a while—that education is the key to a lot of these kinds of problems. We shouldn't wait until there's an invasive species to have to deal with it; we really need to better educate the public.

I don't know if you have any science that you want to share with us or studies that you would like to see being done so that we can get some data or education programs.

Ms. Laura Bowman: One good experience that we've had, in terms of science-based processes for listing, has been under endangered species legislation, where there is actually a structured committee that looks at species and risks to species from a science perspective, and can make recommendations about listing.

Unfortunately, this act doesn't have any structure like that. So it's a little bit unclear, right now, who will be looking at this, and how, and exactly what they'll be looking at. I'm sure that Anne has more to say about research.

Dr. Anne Bell: Exactly, and part of the proposal here is to have that in place. We're not suggesting it's going to be like the Endangered Species Act, but what we do want are experts at the table deciding in a transparent way what's listed and what needs to be listed, so that we all understand that.

Mrs. Gila Martow: So the key is to have experts.

Dr. Anne Bell: Yes.

The Vice-Chair (Mr. Jagmeet Singh): Thank you for your comments, your questions and your presentation. That concludes this round.

At this point, we are somewhat ahead of schedule and the next presenter is not present. We'll try our best to get the teleconference a bit earlier if possible. At this point, I recommend a perhaps five-minute recess to regroup.

The committee recessed from 1501 to 1507.

CURRENT RIVER HYDRO PARTNERSHIP

The Vice-Chair (Mr. Jagmeet Singh): We almost have a member from each caucus present, and if there's no objection, I'd like to continue.

We have with us by teleconference the 3:45 deputation from Current River Hydro Partnership. I believe we have general manager Robert Whiteside on the line.

Mr. Whiteside, are you there? Mr. Whiteside, can you hear us?

We may have some technical difficulties here.

Mr. Whiteside, are you present? Are you available? Can you hear us?

Maybe we can try the line again.

Mr. Whiteside, are you there? If you could just speak into the phone and say, "Hello," that would be great.

I'm just going to awkwardly look to the right and see if something's happening over here.

Just to give you an update, we're going to try the line one more time, and if it does work, we'll begin. If not, we'll have to do a brief recess. Mr. MacLaren seems okay with that, so that works for me.

Ms. Eleanor McMahon: Mr. Chair, just a quick point. I think our 3:30 witness has been held up. Have you heard that?

The Vice-Chair (Mr. Jagmeet Singh): Yes, that's what I heard.

Mr. Gilles Bisson: Held up as in bank robbery held up?

The Vice-Chair (Mr. Jagmeet Singh): Just to ensure that you're not stuck here, what we're going to try to do is recess again for just a couple of minutes. You can stay here. It will just be a brief recess, so it's not—

Mr. Robert Whiteside: Okay. Yes, I'm here.

The Chair (Mr. Jagmeet Singh): Oh. I think we have success.

Mr. Whiteside, are you there?

Mr. Robert Whiteside: Yes, I am.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. Glad to have you.

Mr. Robert Whiteside: Thank you for having me.

The Vice-Chair (Mr. Jagmeet Singh): Mr. Whiteside, you have five minutes to provide your presentation. Are you ready to begin?

Mr. Robert Whiteside: Okay. Yes, I am.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. Mr. Whiteside, general manager from Current River Hydro Partnership, you have five minutes. Please begin.

Mr. Robert Whiteside: Okay, thank you.

Thank you for giving me this opportunity to speak to the committee. This is a very important issue for myself and my company. What we have here, with this Invasive Species Act—I don't want to sound radical or crazy or anything—is a bureaucratic abuse of process. It's important for the committee to understand exactly what they're looking at.

I sent a letter dated September 22, 2015. Anyway, I sent this letter outlining our issues. We have an invasive species coming into the river, and this invasive species is with the blessing of the Ministry of Natural Resources. When we identified that it was an invasive species, the local bureaucrats made efforts—and they've changed the definition of what an invasive species is.

I included in my submission to you several—I marked them item 1, item 2, item 3 on through. I think it's important for you people to see a few items here. Item 3: That's the federal initiative. The invasive species curriculum is based on this initiative from the feds. I think it's important, because the federal initiative is based on the international initiative, and I believe it's important not to undermine or circumvent the initiative that senior governments and world governments are taking by making efforts that are solely intended to screw me. In that federal initiative, item 3, if you look on page 7 under "Scope," I highlighted this area. Intentional and accidental introductions of species are what we're dealing with here. It identifies intentional and accidental introductions.

What we have here is an intentional introduction. On page 19 of that same initiative, under "Purpose," it identifies that there has to be a co-ordinated approach to

invasive species. If you look on page 39, under "Views and Perspectives," again in the highlighted areas, they talk about a balance of who pays and who benefits. We have the Ontario government initiating the introduction of an invasive species that is having a dramatic economic impact upon me, and they say, "Oh well. So what? Who cares?" In the last few years alone this has cost me and my company in excess of several hundreds of thousands of dollars and nobody cares—natural resources. Because we have a couple of people that have—

Interruption.

Mr. Robert Whiteside: Just hold on for a second.

We have some people here who are putting forward—*Failure of sound system.*

The Vice-Chair (Mr. Jagmeet Singh): Mr. Whiteside, are you still there? Mr. Whiteside?

I think we lost him.

Interjection.

The Vice-Chair (Mr. Jagmeet Singh): There you are, Mr. Whiteside. We just lost you for a second. You have about 30 seconds left to wrap up, sir.

Mr. Robert Whiteside: Okay. I'm okay to continue?

The Vice-Chair (Mr. Jagmeet Singh): Yes, we can hear you. You can continue. You have about 30 seconds to wrap up.

Mr. Robert Whiteside: *[inaudible]* have been totally ignored—

The Vice-Chair (Mr. Jagmeet Singh): Mr. Whiteside, I think we're losing you again.

Mr. Robert Whiteside: Okay, just hang on for a second. Is that better? Can you hear me now?

The Vice-Chair (Mr. Jagmeet Singh): Yes. We just hear some noise in the background. Is it a radio, perhaps, or a TV?

Mr. Robert Whiteside: Well, it's a speaker that's in this room, and I don't know how to shut it off.

Anyway, on page 40 of that federal initiative, they talk about how they want to strengthen the understanding and the impacts of the environmental initiatives on aboriginal peoples. I think this is important because the federal government has identified this initiative.

On item number 1 that I outlined in the Ontario guidelines, economic impacts of invasive species is identified on page 6.

The Vice-Chair (Mr. Jagmeet Singh): Mr. Whiteside?

Mr. Robert Whiteside: Yes?

The Vice-Chair (Mr. Jagmeet Singh): Because of the lack of reception, I gave you a minute extra but we have to move on to the question period.

Mr. Robert Whiteside: Okay.

The Vice-Chair (Mr. Jagmeet Singh): So we begin with the government side. From the government we have Ms. McGarry. She'll ask you some questions now.

Mrs. Kathryn McGarry: Hi, Mr. Whiteside. Can you hear me?

Mr. Robert Whiteside: Yes, I can. Sorry for the noise here. There's a speaker in the room here. I don't know—

Mrs. Kathryn McGarry: Yes, it's a little difficult to pick out but I think I've got the main gist. I really wanted to thank you for submitting your comments today. I know that what we endeavour—this is one of the reasons why we have this committee process, to be able to pass comments and then to be able to take changes when we go through the rest of the document to try and strengthen the bill.

I know that you had been worried about the rainbow trout and how that has impacted your business. I wanted to talk about the proposed legislation that allows for the ministry to list invasive species, not only province-wide but also specific to geographical locations in Ontario. For example, smallmouth bass are prevalent and part of healthy fisheries in southern Ontario, but introducing the smallmouth bass in the Arctic waterway could be disastrous for the ecosystem. In the same way, rainbow trout is not traditionally considered an invasive species in Ontario but it is obviously impacting your business.

Can you let the committee know if you agree with the approach of—

Mr. Robert Whiteside: I agree with that.

Mrs. Kathryn McGarry: —allowing for specifics in certain areas?

Mr. Robert Whiteside: I agree with that. In fact, it's one of the arguments I've made to Minister Mauro. His approach was, "Gee whiz, the bureaucrats want to do this. There's nothing I can do." Myself and Cam Burgess from the Métis nation looked at each other stunned. He's the minister. Of course he can do it.

But the thing is, I agree with that approach. I'm not suggesting that these rainbow trout be considered invasive in the river beside me. I'm saying they're invasive in this particular river because they're doing economic damage. If you look at the definition that they've modified this to—and that modification was initiated by our local people. This is why I'm saying it was bureaucratic abuse. It was the bureaucrats in our local riding or local area or district who have initiated this change. They've taken the economics out of the definition. I want them to—

Mrs. Kathryn McGarry: So you would be—sorry.

Mr. Robert Whiteside: I'm sorry. I want them to maintain the same definition that you have in the Ontario guidelines, the same definition that you have in the federal guidelines.

Mrs. Kathryn McGarry: Okay, so you would be supportive, then—

1520

Mr. Robert Whiteside: I don't want that definition modified.

Mrs. Kathryn McGarry: I just wanted to make sure that I have it right here. So you're very supportive of being able to make a specific reference—

Mr. Robert Whiteside: Site specific, yes.

Mrs. Kathryn McGarry: —in the legislation to the specific geographical location. So that would help you in your business.

Mr. Robert Whiteside: Yes, it would. I have no problem with the rainbow trout anywhere else, but I have a problem when they put it in my river and did no impact studies, and they just said, "So what?" That would be one of the things to help, and that would be a good thing.

Mrs. Kathryn McGarry: All right, thank you. I hope to see this moving forward. Thank you very much for your time. I'm going to hand it back to the Chair now.

Mr. Robert Whiteside: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): We now move to the Conservatives. Mr. MacLaren.

Mr. Jack MacLaren: Mr. Whiteside, I had some difficulty in hearing you and you seemed to be cut short, so rather than ask you a question, why don't you take the time that you might have answered a question I would have and just carry on speaking or presenting your presentation.

Mr. Robert Whiteside: Okay. What I would like to see is that in item 1, there's a definition of what invasive species is. That's in the Ontario guidelines. In the bill before you, that is not the same definition. They've modified the definition. They've taken it—it's going to be unique in the world, that definition. By taking the economic considerations out of there, it does a lot of damage to me.

I seek from the committee to reinstitute the same definition that the Ontario guidelines have in place already. This is what I need. This is what I would like to see. Obviously, that definition is good enough because the Ontario government put it forward in the first place. It's also similar to the federal and international definitions. I need to see continuity there. That's what I need to see here. Does that make sense?

The Vice-Chair (Mr. Jagmeet Singh): Thanks very much. Do you have any questions, Mr. MacLaren, to follow up with?

Mr. Jack MacLaren: No.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, sir. And now we go to the NDP. Mr. Bisson is indicating no further questions. So thank you so much, Mr. Whiteside. Thank you for presenting, and—

Mr. Robert Whiteside: I would just like to point out one other thing here. Cam Burgess from the Métis Nation has also written a letter to the committee on this topic. The Métis Nation has asked for consultation on this issue based on the invasive species definitions and what the MNR is doing to me. The MNR has chosen to ignore that request for consultation—

The Vice-Chair (Mr. Jagmeet Singh): Mr. Whiteside? Sorry, you had a couple of minutes before, but you indicated that you didn't want to, and now we've just wrapped up the—

Mr. Robert Whiteside: We moved on. Okay. As long as they understand that, that's all that's necessary.

The Vice-Chair (Mr. Jagmeet Singh): Thank you so much, Mr. Whiteside.

Mr. Gilles Bisson: For the record, teleconferences are terrible.

The Vice-Chair (Mr. Jagmeet Singh): Mr. Bisson, your comments are duly noted.

Mrs. Gila Martow: Maybe they ought to be asked before the teleconference, “Are you going to be in a quiet space” and all that. We have to have some—

Mr. Gilles Bisson: Committees used to travel, and that was the reason we travelled—because we need people like this who have real experiences, who tell us what their problem is in their backyard. I, for one, am a firm believer that committees should travel in the intersession so that we give people like this a real voice.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, Mr. Bisson.

At this point, we don’t have the other two presenters. So again, we’ll do a brief recess, and if we can get a hold of them—and if not, we’ll make a determination. There are supposed to be two more.

Mr. Gilles Bisson: Are there any presenters here at all?

The Vice-Chair (Mr. Jagmeet Singh): No, I don’t think there are any presenters here at this point in time.

Just to confirm once more, is anyone here from the Canadian Shipowners Association? No. And is anyone here from the Nature Conservancy of Canada?

Ms. Eleanor McMahon: The NCC witness, Mr. Chair, as far as I know, is not coming today. He’s had car trouble.

The Vice-Chair (Mr. Jagmeet Singh): Oh, they’re not coming at all. Got it.

Interjection: Are there any others?

The Vice-Chair (Mr. Jagmeet Singh): One other group is the Canadian Shipowners. Let’s just confirm with the Clerk if we’ve already—

Mrs. Gila Martow: It’s 10 minutes past their time. Maybe they want to present tomorrow, because there’s time tomorrow.

The Vice-Chair (Mr. Jagmeet Singh): There’s a 3:15 that hasn’t shown up and there’s a 3:30 that we’ve received information on that is not able to present today. So at this point in time I’m proposing that we wrap up, given that we don’t have any other presenters, if the committee is okay with that.

Mr. Gilles Bisson: That’s fine.

The Vice-Chair (Mr. Jagmeet Singh): We will then adjourn and continue with the agenda tomorrow.

Just a quick reminder: Pursuant to the order of the House, the deadline to file amendments to Bill 37 with the committee Clerk is 12 noon on Wednesday, September 30, 2015.

The committee stands adjourned until 4 p.m.—

Mr. Gilles Bisson: Chair, before you do—

The Vice-Chair (Mr. Jagmeet Singh): Yes?

Mr. Gilles Bisson: Are we going to get anything from legislative research, a bit of a synopsis, before we get to that?

The Vice-Chair (Mr. Jagmeet Singh): The question on the floor is, would the committee like to have something by legislative research, if it’s possible?

Mr. Gilles Bisson: If we could have something, it would be kind of helpful, in the sense of amendments, if there’s anything. Would legislative research look at providing any kind of a document?

The Vice-Chair (Mr. Jagmeet Singh): Mr. Bisson, your request is if there’s a summary of what we have heard so far; is that’s what you’re looking for?

Mr. Gilles Bisson: Yes.

Ms. Erica Simmons: If you want a summary—

Mr. Gilles Bisson: Yes, please. Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Does the committee agree to obtaining a summary—

Mrs. Gila Martow: I would say the only thing that I found really hard was the teleconference. If anybody was taking notes—

The Vice-Chair (Mr. Jagmeet Singh): Is the committee in agreement that we have a summary of what was presented today?

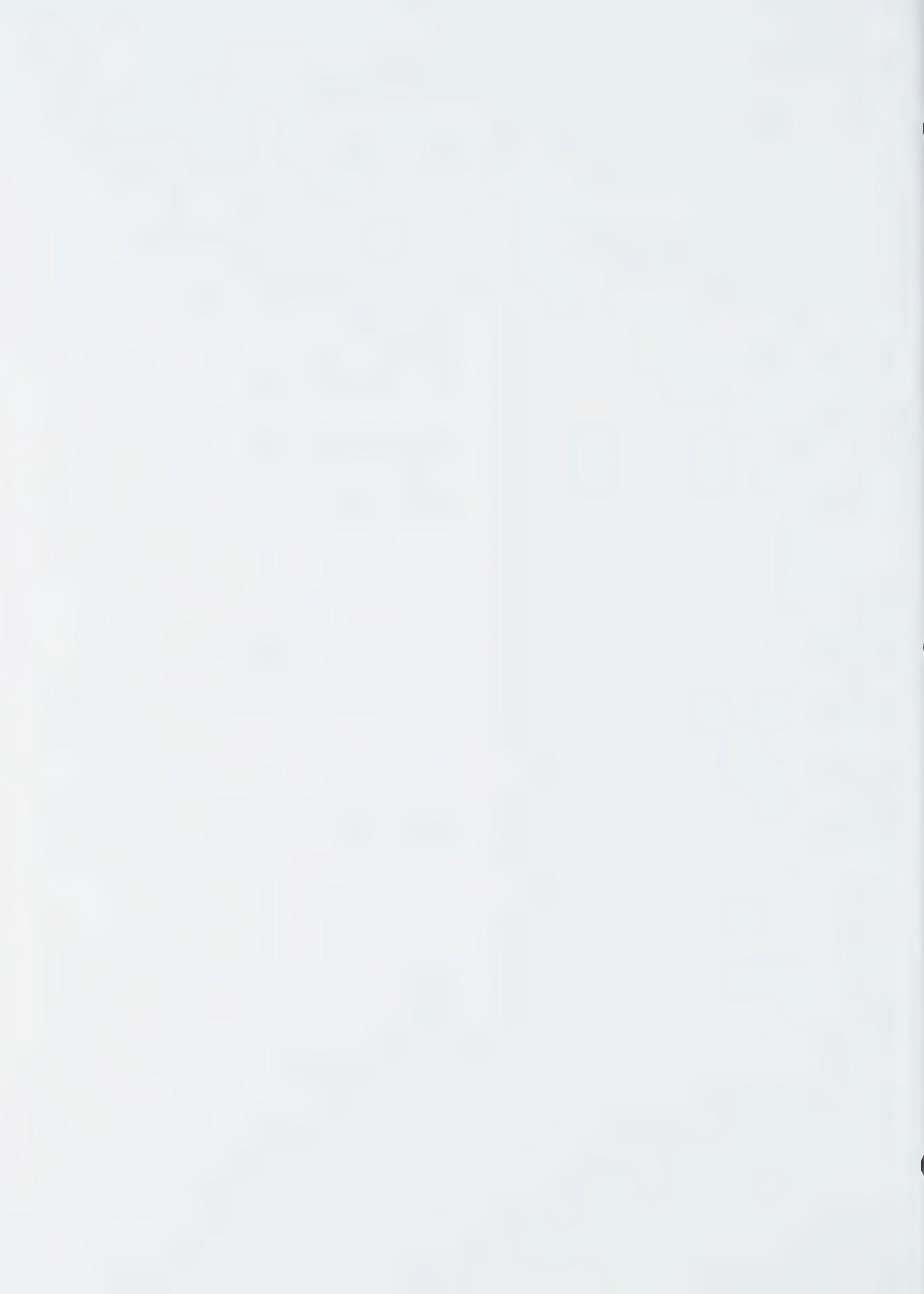
Mr. Gilles Bisson: Yes, just to help us.

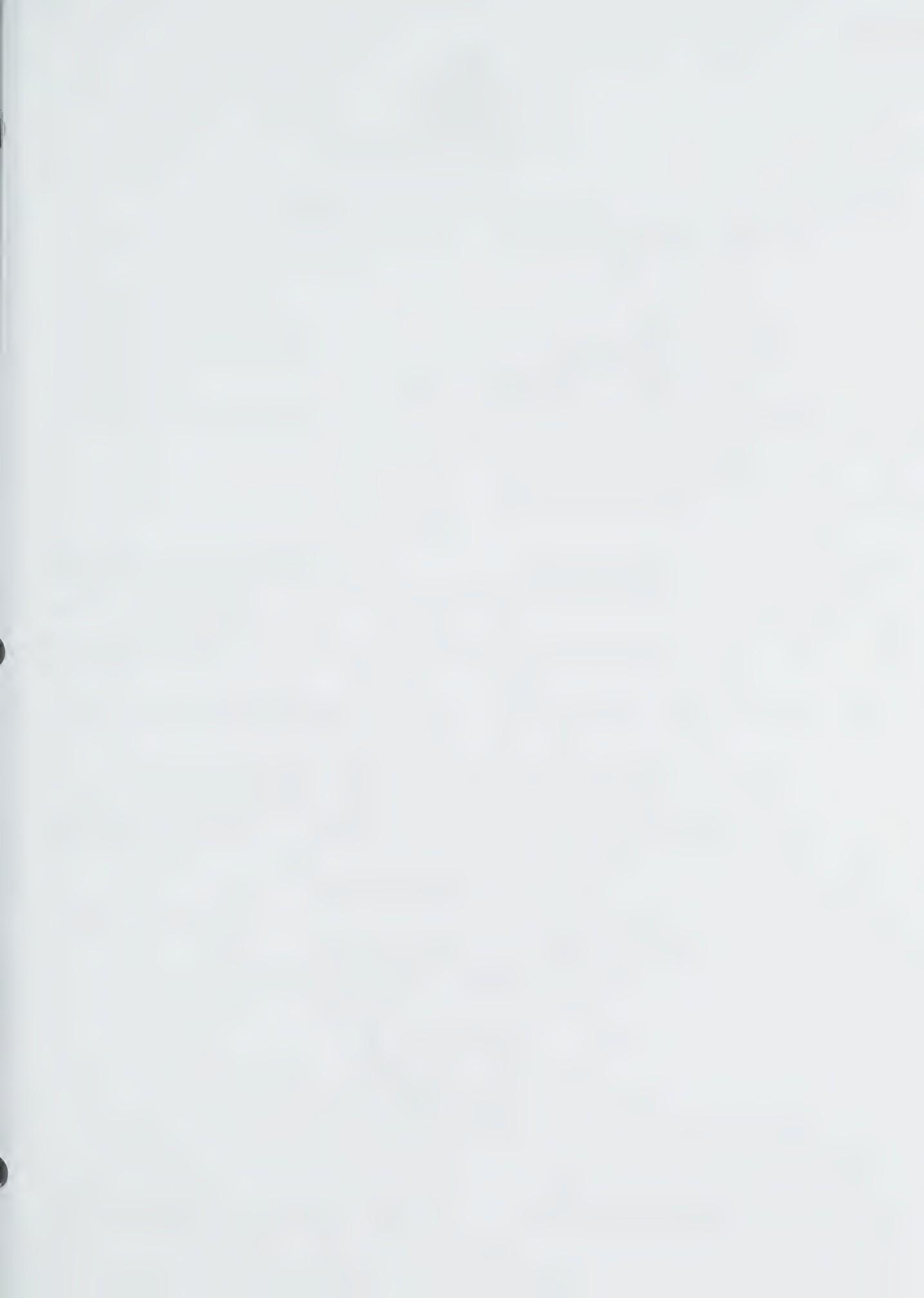
The Vice-Chair (Mr. Jagmeet Singh): Everyone is okay with that? Yes, excellent. Please, if you can provide a brief summary of what we have up until now.

Again, we are adjourned until 4 p.m. tomorrow. Thank you once again.

The committee adjourned at 1527.







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Mardi 29 septembre 2015

Standing Committee on Social Policy

Invasive Species Act, 2015

Comité permanent de la politique sociale

Loi de 2015 sur les espèces
envahissantes



Chair: Peter Tabuns
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Tuesday 29 September 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Mardi 29 septembre 2015

The committee met at 1600 in room 151.

ELECTION OF ACTING CHAIR

The Clerk of the Committee (Ms. Valerie Quioc Lim): Good afternoon, honourable members. In the absence of the Chair and Vice-Chair, it is my duty to call upon you to elect an Acting Chair. Are there any nominations? Mr. Anderson.

Mr. Granville Anderson: It would be my pleasure to nominate Ms. Forster as Chair.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Ms. Forster, do you accept the nomination?

Ms. Cindy Forster: I accept.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Are there any further nominations?

There being no further nominations, I declare the nominations closed and Ms. Forster duly elected Acting Chair of the committee.

INVASIVE SPECIES ACT, 2015

LOI DE 2015 SUR LES ESPÈCES
ENVAHISANTES

Consideration of the following bill:

Bill 37, An Act respecting Invasive Species / Projet de loi 37, Loi concernant les espèces envahissantes.

The Acting Chair (Ms. Cindy Forster): All right, good afternoon, everyone. The Standing Committee on Social Policy will now come to order.

We're here to resume public hearings on Bill 37, An Act respecting Invasive Species. Please note that additional written submissions have been received and are distributed to the committee today.

Each presenter will have up to five minutes for their presentation, followed by up to nine minutes of questions from committee members, which will be divided equally among the parties.

We will start the rotation with the official opposition. When you get to the four-minute point in your presentation, I'll just—okay.

ONTARIO INVASIVE PLANT COUNCIL

The Acting Chair (Ms. Cindy Forster): We're starting with the presenter, of course, the Ontario Invasive Plant Council: Iola Price, president. Welcome.

Ms. Iola Price: Thank you. Good afternoon, honourable members. The Ontario Invasive Plant Council is pleased to support this bill again. We provided comments when it was, I think, Bill 167 or 137, and we trust that our previous comments will be read again and taken into account.

We see value in unifying provincial law regulating invasive species, and we are proud that Ontario has the first act of this kind in Canada.

I have prepared a short description about us. My speaking notes—and I hope you have them with you—you can follow along if you wish.

Some may balk at the high cost to control one or more invasive species. Prevention and early response is exponentially cheaper, from an economic and environmental perspective, than waiting to control invasives after they have expanded and impinged on important, high-value areas. There are some points, however, that you may wish to consider.

First, the act does little to engage the majority of Ontario's organizations that have direct interest in control of invasive species, and does little to provide tools that will control unlisted species or tie together a collaborative, integrated approach.

We recommend that the minister engage one or more partners to develop six to 10 regional-scale plans that generically describe a collaborative approach for dealing with invasive species within each of the regions of the province. We're calling them regional invasive species identification and control plans.

We further recommend that these regional plans be developed with support from all levels of government, First Nations, NGOs and other interest groups such as the horticulture industry, forestry and agriculture, and, of course, us.

These plans would not only incorporate and integrate the control plans for regulated species but will also identify how collaborating municipalities, industry and other non-government organizations respond to invasives in their area. Such plans would be developed using a science-based, risk assessment process.

Secondly, there are 1,000 or more or so invasive species in Ontario—I've got a list here—and one of our concerns is that the majority of these invasives will not likely be listed. Furthermore, how their categorization is to be accomplished—a significant or moderate threat or simply not named as alien invasive species—is as yet

unknown. But it's clear there must be a coherent and efficacious process put in place to determine the level of threat.

We recommend and want a rigorous science-based assessment process that includes species inside and outside of our borders. We also want a process that recognizes that a species might be a significant threat in one region but a moderate threat in another. Subsection 4(3) implies a risk assessment process but is not explicit in this regard.

Thirdly, there are hundreds, if not thousands, of environmental groups and individuals in Ontario working as volunteers to control invasive plants such as phragmites, buckthorn, dog-strangling vine and garlic mustard, to name only four.

One section of the act indicates that the minister may authorize a person to conduct certain activities, including transport. Other sections outline particulars of authorization, prevention and response plans. Does this mean that those of us who work to control invasive species in our municipalities must seek authorization from the minister, write detailed plans and submit annual reports as well as pay fees to remove invasive species? If such plans, reporting and fees are required, we predict that a lot of volunteer effort will be abruptly halted, leading to the further spread of invasive species.

The Acting Chair (Ms. Cindy Forster): Ms. Price, you have one minute.

Ms. Iola Price: Okay, thank you. We recommend that the act be clarified to exempt individuals or groups who control invasive species on their property. We further recommend that bagging, transport and such activities be also clarified in the act.

It's very difficult for any landowner controlling invasive species to know exactly how to proceed, but we recommend suitable processes such as changes to the letter of opinion and, in some cases, the requirement to obtain a letter of opinion when there is a threat created by the presence of an invasive species and it warrants rapid action. So we want to see changes to the letter of opinion process.

Thank you for your time and attention. In the information sheet about us, you will see references to our publications. Here's one of them. Order them from us; they're free and you can download them from the Internet. Thank you for your time.

The Acting Chair (Ms. Cindy Forster): Thank you; right on time. We'll start with the official opposition. Mr. Barrett.

Mr. Toby Barrett: Thank you, Chair. A brief question, and my colleague may have a question. Thank you for the invitation to your Burlington meeting and dealing with knotweed, buckthorn and phragmites—it seems to be almost an impossible task for individuals—and for your work linking private and public sector.

I think of phragmites: One of the biggest transmission routes seems to be the provincial highway network. I think of Highway 403 coming out of Sarnia and of the

401. Are you working with MTO at all? Are they doing anything at all to control phragmites on MTO property?

Ms. Iola Price: We are certainly working with them. The plant council does have a phragmites working group. It has representatives from a number of agencies and, I believe—in fact, I'm certain—that the MTO is on that. We also have a member of our board of directors on the plant council, and I know that she is concerned about phragmites. So, yes, I think the problem is being worked on, but it's always a question of resources. How much money can you spend to control something? Unless there's money allocated, it's a problem.

Mr. Toby Barrett: Yes.

Mrs. Gila Martow: I just wanted to thank you for coming and to ask you if you have any kind of association with other organizations that you mentioned that are also working hard—I know that many of them are NGOs or just volunteers and small groups, and we even heard yesterday from landscapers—if you're working together on any of these projects.

Ms. Iola Price: The short answer to that is yes. We have a board of directors that has representatives from the federal government, the provincial government, municipalities, conservation authorities, Ontario Nature—and I could go on and on. We have a board of directors of 15. We have a wide scale of people. Then we have committees that deal with an even more expanded list of people. So, yes, we are working with anybody and any group that wants to work with us on this issue.

1610

Mrs. Gila Martow: I hope that we'll be getting a lot of input from you on how this transpires.

Ms. Iola Price: We certainly hope you will invite us.

Mrs. Gila Martow: Thank you.

The Acting Chair (Ms. Cindy Forster): You have about 45 seconds.

Mrs. Gila Martow: I just wanted to mention—you know, you summed it up very well, that we need to work at all levels of government, the NGOs and the native community, as well as all the organizations. What I would want to add to that is educating the public, because I feel that's really what's missing. The public is just so unaware and they're so quick to pick up a pretty plant in Colombia and bring it in their hand luggage on the plane.

Ms. Iola Price: That's a bad one. In terms of picking up something—I'll give a quick pitch for this Grow Me Instead publication, available in French and English for southern Ontario, English only for northern Ontario. It gives you a guide to what's not so good and what we prefer you would plant.

Mrs. Gila Martow: Thank you so much.

Ms. Iola Price: You can download this from our Internet.

The Acting Chair (Ms. Cindy Forster): Mr. Mantha.

Mr. Michael Mantha: How come it's only available in English in northern Ontario?

Ms. Iola Price: We haven't got enough money to get it translated.

Mr. Michael Mantha: Oh.

Ms. Iola Price: And they don't trust me to do the work.

Laughter.

Mr. Michael Mantha: I just have a couple of questions. First, is there anything that you didn't get a chance to share with the committee before that you'd want to share?

Ms. Iola Price: Oh, my gosh, yes. If I had 10 minutes—

Mr. Michael Mantha: Well, I'll give you my three—two and a half now.

Interjection: Two.

Ms. Iola Price: Two. Oh, where's page 6?

I'm worried about what the impact of other legislation might be on this and what would be the impact on significant wetlands, species at risk or migratory birds if a control operation takes place and inadvertently you destroy something that has another good ecological value. I'm worried that this act may be a little bit heavy-handed in places in terms of the fines. Would someone who's fined under this act get a criminal record? It seems a little bit much, but it does happen.

We want to see municipalities being encouraged and maybe even almost required to develop invasive plant strategies of their own, and we'll help.

Mr. Michael Mantha: Okay. In your comments, you talked about engagement of others and the tools towards a collaborative approach. You talked about regions. Can you explain that a little bit more to me, please?

Ms. Iola Price: I'm sorry, the regions?

Mr. Michael Mantha: Yes, the regions. The collaborative approach is what you had mentioned.

Ms. Iola Price: Right behind me, we have the Invasive Species Centre. We're working on a collaborative project with them which maybe they'll have time to describe—on workshops: early detection and rapid response workshops. So yes, we collaborate with a number of organizations. Anybody who wants help, we'll work with them.

Mr. Michael Mantha: Is there a targeted approach towards engaging First Nations? Because across Algoma-Manitoulin, this actually has been a long-time problem. Just in my riding, I have 21 First Nations, and there is a lot of importance to them in particular herbs and environments, and particular areas. Is there an opportunity to work collaboratively with them and educate them as well, or for them to educate you?

Ms. Iola Price: Yes. We have a member of Plenty Canada on our board of directors, but he's indicated that he's got a whole lot of other issues on his plate, so at the moment, we're looking for a replacement. We don't have an active First Nations representative, but we are looking. If you have anyone to suggest, please let us know.

Mr. Michael Mantha: Okay. Just on a final question, 40% of northern Ontario is francophone. I just thought I'd put that out there to you.

Ms. Iola Price: I know. I was born in Kirkland Lake, raised in North Bay and my mother's from the Soo.

M. Michael Mantha: Ah! bien, on aurait pu se parler en français d'abord.

Mme Iola Price: Oui, je parle français.

M. Michael Mantha: Ah! bien, tiens.

The Acting Chair (Ms. Cindy Forster): Thank you, Mr. Mantha. Government member: Mr. Anderson.

Mr. Granville Anderson: Ms. Price, first, I want to thank you for being here and for the wonderful work that you do.

Education is paramount for preventing, detecting and responding to invasive species in Ontario. I understand that the Ontario Invasive Plant Council does great work in educating the public about invasive species. What are some of the ways that the OIPC could assist with the implementation of the proposed Invasive Species Act, if passed?

Ms. Iola Price: I'm sorry, what would we propose?

Mr. Granville Anderson: Yes. Basically, what would you propose if the act is passed?

Ms. Iola Price: My personal druthers would be to have municipalities involved at a much greater level, a deeper level. Municipalities are one of the greatest land-holders in Ontario, along with the conservation authorities. I'm currently reviewing the proposals to change the Conservation Authorities Act. My suggestion would be that the conservation authorities take the lead, along with their constituent municipalities, in developing comprehensive, science-based invasive plant strategies for the area. For instance, in Ottawa we don't have anything of that nature, except for one small program to deal with wild parsnip, but we need a comprehensive program. The municipalities and the conservation authorities would be my suggestion to get something going, along, of course, with education of the public.

Mr. Granville Anderson: Okay. Thank you. My colleague—

Ms. Eleanor McMahon: Thank you. Madam Chair, may I?

The Acting Chair (Ms. Cindy Forster): You may.

Ms. Eleanor McMahon: Thank you for what you do. I'm the MPP for Burlington, so you're coming to my community on the 13th and 14th.

Ms. Iola Price: Yes.

Ms. Eleanor McMahon: I shall try to meet you there.

Ms. Iola Price: Thank you.

Ms. Eleanor McMahon: Because that's a real jewel. The Royal Botanical Gardens is an incredible asset to not just my community, but all of Ontario. A little brag moment there. And my dad grew up in Kirkland Lake, so there you go.

A couple of points: I want to echo my colleague's comments and thank you for the work that you're doing. It's critically important. I love the Grow Me Instead program. A couple of things: You mentioned wetlands policy. We don't have much time, but maybe you can get a word in edgewise on that. I do hope that you're responding to the EBR posting that we've got on the wetlands strategy for Ontario. I don't know if you're

aware that we've initiated that conversation, and the conservation authorities—

Ms. Iola Price: It's on my to-do list.

Ms. Eleanor McMahon: Okay, great. Mine too.

The conservation authorities legislation: I hope you've commented on that.

Ms. Iola Price: That's what I'm reviewing on the train home tonight.

Ms. Eleanor McMahon: Okay; good stuff.

Lastly, when it comes to municipalities, we should probably connect you through to the Association of Municipalities of Ontario because that's the organization for municipalities in the province, and they have an MOU with the government on several files. We should probably connect you to them so that you can cement that partnership and disseminate your information.

The Acting Chair (Ms. Cindy Forster): Thank you, Ms. McMahon. Time is up.

Ms. Eleanor McMahon: Thank you, Madam Chair.

The Acting Chair (Ms. Cindy Forster): Thank you very much, Ms. Price.

Ms. Iola Price: Should I answer just to say that—

The Acting Chair (Ms. Cindy Forster): No. Sorry that you can't, but—

Ms. Eleanor McMahon: You're not allowed to, but we can talk after. Thank you, Madam Chair.

The Acting Chair (Ms. Cindy Forster): Thank you for being here.

FORESTS ONTARIO

The Acting Chair (Ms. Cindy Forster): Our next group is Forests Ontario. Please state your name.

Mr. Rob Keen: My name is Rob Keen. I'm the CEO of Forests Ontario.

The Acting Chair (Ms. Cindy Forster): Welcome to committee. You have five minutes for your presentation, and I'll either put my hand up or tell you you've got a minute left; okay?

Mr. Rob Keen: Super; thank you. Good afternoon and thank you for the opportunity to share my views in support of Bill 37, the Invasive Species Act.

First, I'd like to provide some background information regarding Forests Ontario. Forests Ontario's vision is a future of healthy forests sustaining healthy people, a flourishing environment and a robust economy for generations. As a not-for-profit charity, Forests Ontario works to ensure healthy forests and landscapes for our future through the support of forest restoration and stewardship, education, and awareness. Our organization works to gain support for our cause by advocating for a strong environment to a range of stakeholders, including private corporations, environmental collaborations, government and the general public.

We seek to be the unbiased advocate for abundant, healthy and sustainable forests, truly a voice for our forests. We are very fortunate to be the administrator of the Ontario government's 50 Million Tree Program, which targets tree planting on fragmented landscapes,

which are predominantly, at this point in time found, in southern Ontario. The goal of this program is to plant 50 million trees by 2025. To date, we have planted over 19 million trees across Ontario.

We have a full suite of forest education programs targeting students from kindergarten to post-secondary levels, including the Forestry Connects program, Focus on Forests and Envirothon.

We applaud the government for the pursuance of the Invasive Species Act and recognize that invasives are one of the top threats to our natural environment, the others being habitat loss and climate change. These species can threaten our terrestrial and aquatic native species, out-competing them for habitat on the landscape. This, of course, has a domino effect and directly impacts the habitat of so many other species, wreaking havoc on our overall biodiversity.

We believe that this legislation is a positive step towards reducing threats from invasive species to Ontario's forests and speaks to the government's ongoing commitment to protect the environment from ecological risks. Ontario's forests, particularly those in the south, have been challenged by invasive species, among them emerald ash borer, dog-strangling vine, the Asian long-horn beetle and buckthorn, to name a few. These challenges to our natural environment will, if unaddressed, continue to negatively impact our forests and habitat.

1620

The Invasive Species Act, if passed, will seek to integrate early detection methods with rapid response solutions designed to combat invasive species.

We in Forests Ontario witness the effects of invasive species in our daily activities and are often faced with significant challenges in restoring sites that have been taken over by invasives. I would therefore offer these observations and recommendations regarding the implementation of Bill 37:

—that a comprehensive communications plan be developed that will engage the public and all stakeholders, thereby enhancing the awareness of the threats of the invasives and the need and benefits of this legislation;

—efforts must be made to develop collaborations to assist in the implementation of invasive species programs. Given today's economic realities, we need to recognize that no one agency or organization has the capacity to effectively deliver a successful program on its own and that all efforts must be made to engage multiple stakeholders and potential partners; and

—we need to ensure that the adequate resources are dedicated to fulfilling the implementation of the act and to restoring sites impacted by invasives.

I'd like to once again congratulate the Honourable Minister Mauro and the Ministry of Natural Resources and Forestry for bringing forward this essential piece of legislation. Forests Ontario looks forward to working alongside this government to implement solutions to protect our natural resources.

Just as a final note, I'd also like to mention that I am a member of the Ontario Biodiversity Council—and I

believe Steve Hounsell was here speaking to you yesterday—and as well, a recent director of the Invasive Species Centre. Thank you very much.

The Acting Chair (Ms. Cindy Forster): You have a minute left, if you'd like to expand.

Mr. Rob Keen: Sure. I guess the one thing that I'm always concerned about is the public perception of any kind of acts that come into place. We've witnessed, in the past, certain acts that have been enacted, and there's a general fear of what that act is going to mean to the public and certainly mean to landowners.

So back to my point of ensuring that an effective communications plan is developed: I think it's going to be absolutely essential that that is well coordinated, engaging multiple stakeholders, the partners, the Invasive Species Centre, the invasive plants council—all of those that are currently available to help with this but then way beyond that as well. I think it really is going to be important that everybody have a thorough understanding of the importance of this legislation, what the benefits will be and how they can play a part in it.

The Acting Chair (Ms. Cindy Forster): Thank you so much. We're going to start this time with the third party, Mr. Mantha.

Mr. Michael Mantha: Thank you very much. I'm just noticing from your map that there are no dots in my area.

Mr. Rob Keen: Not yet. We're working on it.

Mr. Michael Mantha: All right. I just thought I'd welcome you to—this nice little island here is called Manitoulin Island.

Mr. Rob Keen: Yes. We did plant there—

Mr. Michael Mantha: It's my pitch. It's the largest freshwater island in the world, so if you were to establish a project there, you'd get to claim that as a project.

Mr. Rob Keen: We'll do that. We did, sir. We were planting there last year—not a lot of trees, but we'll be back there this year.

Mr. Michael Mantha: Actually, the fortunate part about coming from northern Ontario is that there are a lot of forest companies there that also engage in planting of trees. Giving that tree to a child, to schoolchildren, and watching their faces as they grab this living tree—they go out and actually care for it, put it into soil, and the joy of coming back 10, 15, 20 years down the road and seeing their tree that has grown, that they can now no longer hop over—is quite rewarding.

I just wanted you to expand on one thing: You talked about engaging and educating the public and making sure that the proper resources were there not only for educating individuals but for enforcement as well. Can you just give me a little bit more in regard to your comments, what you were looking at and what you envision as far as what education and enforcement are going to look like?

Mr. Rob Keen: I guess to the point of what resources are available, we already heard it from the previous speaker: The resources are there. The finances need to be there in order to develop the educational materials to get

out to the public, to the point of being able to translate the brochure that had already been developed.

That really was my point about adequate resources. I think, too often, there's potential for legislation to be passed and put out but just not the resources behind it to really make it effective. So I think it probably just comes down to money and collaborations with partners that can actually get the program going.

Mr. Michael Mantha: Is there anything that you wanted to add from the comments that you made today that you didn't have a chance to?

The Acting Chair (Ms. Cindy Forster): Forty-five seconds.

Mr. Rob Keen: Again, I think it's absolutely essential to work with all the stakeholders that potentially have the opportunity to engage. It was previously discussed about municipalities. Developing the mechanisms to be able to reach out to kids about this, to get in the classrooms to talk about invasives—those are our future stewards, and they need to have a solid understanding of how they can participate in ensuring their healthy future.

Mr. Michael Mantha: Thank you.

The Acting Chair (Ms. Cindy Forster): Thank you. Government? Ms. McMahon.

Ms. Eleanor McMahon: Hello; how are you?

Mr. Rob Keen: Hi, Eleanor. Very good. How are you doing?

Ms. Eleanor McMahon: Nice to see you.

Mr. Rob Keen: You too.

Ms. Eleanor McMahon: Thank you for all the work that you do. I know it seems trite sometimes to thank such an important stakeholder to government for the stewardship role that you play and the education and awareness role that you play in partnership with the ministry. We really appreciate that.

My colleague opposite stole my question, truth be told, because you've highlighted the need for education and awareness and the context of the role out of the legislation. I think that's really important. Any more thoughts on that? And in context, when you're rolling out the 50 million tree program, I guess we're about a third of the way through now, or more. Is there an opportunity in engaging participants in that exercise and an education awareness program through that, I wondered?

Mr. Rob Keen: Absolutely. There are some examples. We're actually working with York region right now. We've been doing workshops for them for the emerald ash borer for the last three years and informing their local landowners about the emerald ash borer, its effects and such. They have actually just started to work with us to see if we can help get boots on the ground. That's folks who can get out and talk to landowners. Everybody's resources are tight, and it's harder and harder and harder to be able to reach out, go and drive up a driveway, get out, talk to a landowner and go and look at their forest.

Unfortunately, the default these days seems to be to put everything on a website. I can tell you that when we do these workshops and you get one-on-one communica-

tion going with people, it is far more effective than just saying, "Oh, go look at this website and you'll get all the information you'll need."

I think on the education side, having the bodies that are knowledgeable, that can meet with landowners, meet with the public and have that face-to-face discussion is going to be imperative to make sure that this is properly implemented.

Ms. Eleanor McMahon: I know in my community—I'm assuming everyone in this room, in their riding, has garden centres. Perhaps you could think about garden centres as a way to connect with the public, because at the start of every growing season in particular, everyone is going to buy plants. They're getting the earth ready for the season etc. It sounds like a granular conversation, but it may be something to think of. We can talk more about that.

Mr. Rob Keen: I'd be more than happy to.

Ms. Eleanor McMahon: Thank you. Thanks for your time.

Mr. Rob Keen: Thanks.

Ms. Eleanor McMahon: I'm all set, Madam Chair.

The Acting Chair (Ms. Cindy Forster): Mr. MacLaren.

Mr. Jack MacLaren: You mentioned a concern about buy-in by the public of any bill because it's new and it's natural to be afraid of—change, I guess, is a good word. I would speak to you from the perspective of landowners, who would often be the first and most immediately impacted by an invasive species and naturally, therefore, have the greatest interest in controlling them. But there is a tendency when you start to read about inspectors, fines, penalties, warrantless entry etc.—I'll tell you, that kind of language always raises my hackles.

I think that's a terrible term, "warrantless entry." We're a free country. The best way to do that approach, as you say, is the one-on-one and going to talk to a real person face to face, and you'll always get the best results. Asking will get far more than warrantless entry. We're going to submit some potential amendments to this bill, and one of them would be to remove that warrantless entry and replace it with having a fellow drive down the driveway, so to speak, and you'll get along far better—rather than forcing people to do something.

We would also be concerned about the impact on the landowner if in fact something is found, through no fault of his own, that would result in work and therefore costs being incurred. We'd like to submit this amendment to the bill, that kind of language should be put in place: that there be full, fair and timely compensation for loss of use, enjoyment, profitability or value of property.

Mr. Rob Keen: That's a good statement.

Mr. Jack MacLaren: It is. I think it's a wonderful statement.

Mr. Rob Keen: Do you want me to comment on it? If you want me to comment, I could just say it again.

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Mr. Jack MacLaren: No, I would hope you would support that idea.

Mr. Rob Keen: I think always to the point that—landowners need to be concerned about any acts that are implemented, such as this.

Mr. Jack MacLaren: Of course.

Mr. Rob Keen: If there are hardships to the landowner, then compensation needs to be considered. I'd be a little bit concerned about just putting a blanket statement in, that every time this happens, compensation is there, but I think there's consideration that needs to be put there, for sure.

Mr. Jack MacLaren: Well, we're close. Thank you very much.

The Acting Chair (Ms. Cindy Forster): Thank you so much, Mr. Keen.

Mr. Rob Keen: Thank you.

INVASIVE SPECIES CENTRE

The Acting Chair (Ms. Cindy Forster): Our next group up is the Invasive Species Centre: Kelly Withers and Brendon Larson. You have five minutes between the two of you.

Ms. Kelly Withers: Thank you for the opportunity to speak today. I'm Kelly Withers, the acting executive director for the Invasive Species Centre. Joining me is Dr. Brendon Larson.

The Invasive Species Centre is a non-profit organization. We were established in 2011. Our board has representation from all levels of government, industry, other non-profits, First Nations and academia. We connect stakeholders, knowledge and technology to help prevent the introduction and reduce the spread of invasive species that are harmful to Canada.

We're here to offer our support for Bill 37 and to thank Minister Mauro for bringing this bill forward to address the need for provincial authority to deal holistically with invasive species. We're going to discuss reasons why the act is necessary and the response to threats of invasive species; highlight three critical sections of the act; and expand upon the importance of adequate resources and collaboration for effective implementation.

Invasive species have many significant, far-reaching impacts. Ontario especially has a high risk for invasions, with large volumes of international trade. Some 64% of overseas containers to Canada are opened right in Ontario, and these containers are a major vector for invasive species arrival.

For example, the emerald ash borer beetle was accidentally imported from Asia to Michigan, and it spread rapidly to Ontario. As of 2014, the Ministry of Natural Resources and Forestry had aerially mapped almost 200,000 hectares of dying ash trees. The direct cost to Ontarians has been more than \$364 million for tree removal from infested areas, with Toronto alone spending an estimated \$70 million. The emerald ash borer is still spreading, so we know these costs will grow.

This is only one example, but there are many other examples of invasive species that could have, or have

had, a significant impact on the province. These include zebra mussels, Dutch elm disease, and the Asian long-horned beetle, just to name a few.

The first of its kind, the proposed Invasive Species Act fills a large legislative gap. There is no similar comprehensive instrument anywhere in Canada, at the federal or provincial levels, that condenses the authority to deal with invasive species. By implementing this act, Ontario will take a large step forward to proactively prevent invasions and expedite the response when invasions occur. This will protect the economy, environment and health of Ontarians. The Invasive Species Act will give Ontario the tools and authorities it needs to intercept and quickly respond to threats from invasive species.

Today, we want to highlight three areas of the act where we believe the province has taken the right approach:

- first, having the ability to classify the threat level of a species, because not all invasive species have the same risk of becoming established and causing damage. We have to understand the level of risk, to prioritize and use the available resources where they'll have the greatest impacts;

- second, the prohibition of significant-threat species, because we need to prevent the import and sale of harmful invasive species, to avoid costly control efforts that will be needed if those species take hold;

- and finally, providing ministerial powers to provide a temporary-threat designation to a new species, because it brings needed tools to eradicate an unexpected threat before it has time to establish. If a response is delayed by slower-moving administrative processes, opportunities for eradication can be missed, and costs for control will inevitably be higher.

Invasive species are a complicated problem and the task is enormous. Provincial efforts to combat invasive species will be enhanced significantly through continued collaboration with all levels of government, multiple jurisdictions, non-profits and individual citizens. Continuing to leverage contributions from all these partners will go a long way towards enhancing the implementation of the act.

Additionally, adequate resources need to be allocated. The act provides the right level of authority with respect to resource management, but appropriate capacity and expertise need to be dedicated to its execution so that necessary outcomes can be realized. This can be achieved through finding new efficiencies, exploring alternative service models, avoiding duplication, and identifying resources that can be reallocated.

The Acting Chair (Ms. Cindy Forster): You have about a minute.

Ms. Kelly Withers: Thank you. To conclude, we support this act and think it is critical that the province be a leader in addressing the issue of invasive species. By passing this bill, Ontario will take necessary action to limit the overall costs and effects of invasive species, and protect Ontario's environment, economy and society for its citizens and future generations.

The Acting Chair (Ms. Cindy Forster): Thank you. I'll start with the government. Ms. McGarry.

Mrs. Kathryn McGarry: Thank you very much for your presentation. I find, in my own riding of Cambridge and North Dumfries township, that this is an extremely important topic. I actually live in the rural component, where we've got the last remnants of the Carolinian forest. We have a lot of endangered species in our area such as the smooth greensnake. Due to some of the changes that we've seen recently in protecting habitat and also monitoring for and getting rid of invasive species, we've seen a return in our area of the bald eagle as well as nesting sandhill cranes. So we are seeing improvement.

I'm very happy to hear that you are already collaborating and co-operating. You were even named by the Ontario Invasive Plant Council at the beginning of their presentation. That's really a key element of taking this proposed bill, if passed, into the public to get their buy-in, not just in terms of identifying but monitoring where invasive species are.

I think you've already answered my first question, which would be that you're very supportive of this stand-alone piece of legislation. Secondly, are there other ways that the proposed bill could be strengthened to provide more clarity and encourage even more collaboration amongst user groups to look at monitoring and identifying where invasive species are and how to manage it?

Dr. Brendon Larson: We think that a critical part of the act is the process that's used to prioritize among species. That's written into this act. How exactly that will roll out and the policies that come out of the act will be really critical. To efficiently use resources, we will have to be actively prioritizing and making tough decisions about where to put resources.

Mrs. Kathryn McGarry: Thank you. Do you have some ideas on how to engage the public in the different groups that are very happy to come and assist in rolling out this act, if passed?

Ms. Kelly Withers: One of the projects we're actually working on right now is developing an early detection and rapid response network. We've got four pilot areas in Ontario. It's being funded by the provincial government and the Ontario Trillium Foundation. It's becoming very popular; we're training and engaging citizens to be out there in the community and responding and reporting invasive species as they come across them.

The Acting Chair (Ms. Cindy Forster): Thank you. Official opposition: Ms. Martow.

Mrs. Gila Martow: Thank you very much for coming in. What I wanted to ask you is just your opinion. I'm just north of Toronto—I represent Thornhill—and what we experienced with the city of Vaughan is that they chose to let the trees die because of the emerald ash beetle rather than inject the trees with whatever substance can prevent the larvae. Toronto, from my understanding, was injecting quite a number of trees.

What I wonder is: Do you feel that maybe there needs to be a province-wide response to something like that? I

can't imagine that letting the trees get infected and letting it spread is particularly helpful for combating that. Maybe we need to have, across the board, that municipalities are on board and understanding that it's not just about the bottom line on their budget.

Dr. Brendon Larson: Yes; absolutely. The role of municipalities is very important for the enactment of this act, so we have municipal representation on our board to recognize that. I think, more broadly, though, such as the example you gave, a critical element is the coordination of bodies at all different levels: municipal, provincial and federal.

Mrs. Gila Martow: Does this person—would they feel that it would be fair to obligate municipalities to respond in a certain way even though it's going to cost them money?

Dr. Brendon Larson: That's an interesting question. The challenge is that this issue crosses scales. These species tend to expand from a specific municipality, and that's why I think legislation at the provincial level makes a lot of sense, because in many instances, there's a general way in which these species, for example, might be entering the province. It's beyond the scale of one municipality, I think.

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Mrs. Gila Martow: Thank you very much. Is there anything else that you wanted to add to your talk, or mention to us?

I think that everybody is kind of frustrated and I think that there is a lot of support for dealing with things better. I've just been working in this building for about a year and a half and all I can tell you is that everybody makes suggestions to have new projects, but new projects cost money and we don't seem to cancel any of the old projects that we've been working on.

It's challenging, because really, to have a province-wide system, as the previous speaker mentioned, go house to house and look at people's trees or plants, you're talking in the hundreds of millions of dollars to roll something out across the province like that.

Dr. Brendon Larson: And again I think—

The Acting Chair (Ms. Cindy Forster): Thank you.

Dr. Brendon Larson: Oh.

Mrs. Gila Martow: Thank you.

The Acting Chair (Ms. Cindy Forster): Mr. Mantha.

Mr. Michael Mantha: Well, I just purchased a house in November, and we were doing some yard cleaning, my wife and I, a couple of weekends ago. We were just sorting out something, and it wasn't an invasive species, but somebody had buried a pet in the backyard and we found it. I was very quickly out of my backyard. It was the most horrid experience that I have ever experienced in my life.

But there were so many plants that were there in my backyard that some of them could have been introduced, because they certainly weren't native to the backyard. So individuals like a landowner—how does a landowner actually get educated? How do you see engagement of a landowner before they start removing, so that they don't

do the error of improperly removing what they have in their backyard and making a terrible mistake? They're doing an innocent mistake, trying to clean up what they have there, but how do you see this particular bill engaging those individuals to make sure that they're taking the appropriate steps?

Dr. Brendon Larson: My reading of it was that there is some understanding of reasonable activities that people are doing. I think that the interpretation of the act would have to be reasonable in that regard. Nonetheless, to get more directly to your point, I think that this again comes down to a prioritized list of species, so that it's not 1,000 species that are somehow being considered but a more manageable number that we can communicate effectively, and that it's reasonable to be drawing on the network of people we have who are already looking at this issue around the province to lower the cost of enacting it.

Mr. Michael Mantha: And within the context of this bill, although it's a good step in the right direction, you're right. You touched on it earlier in your comments, that if the proper resources are not put into it, which is funding, we're going to continue battling the idea of efficiencies and we're really not going to solve the problem.

In the scope of your area, what would that model look like? What efficiencies do you believe—not the funding; just identify what you believe as far as, "This is a piece of the puzzle that is absolutely needed. This is another piece that is needed."

Dr. Brendon Larson: One example is drawing on the networks of people who are already, from various non-governmental and individual perspectives, looking for these species and aware of them. That doesn't require new funding; it's already there. What it requires is the capacity to then do something about it if something is detected, I think.

The Chair (Ms. Cindy Forster): Thanks very much for coming to committee.

Dr. Brendon Larson: Thank you.

ONTARIO FEDERATION OF ANGLERS AND HUNTERS

The Chair (Ms. Cindy Forster): Our last group today is the Ontario Federation of Anglers and Hunters: Matt DeMille. Welcome to committee. You have five minutes.

Mr. Matt DeMille: Thank you. Good afternoon, Madam Chair and members of the committee.

Since 1928, the Ontario Federation of Anglers and Hunters has worked to promote and encourage the conservation of Ontario's fish and wildlife, their habitats and the ecosystems that support them, to ensure continuing benefits for all Ontarians. Our vision includes a future with healthy lakes and forests, bountiful fish and wildlife, and accessible opportunities for all Ontarians to share our passion for fishing, hunting and conservation. We are here today because invasive species threaten this vision.

The OFAH addresses invasive species through its participation on numerous national and binational committees, including the Great Lakes Panel on Aquatic Nuisance Species, the Great Lakes Water Quality Agreement Annex Subcommittee on Invasive Species and as the only Canadian member of the Chicago Area Waterway System Advisory Committee. We also serve on the board of directors of the Canada-Ontario Invasive Species Centre, the Canadian Aquatic Invasive Species Network and the Ontario Invasive Plant Council.

In 1992, the OFAH entered into a partnership with the Ministry of Natural Resources and Forestry, or MNRF, to deliver the Invading Species Awareness Program. For more than 20 years, we have demonstrated a successful track record of outreach and education focused on preventing the introduction and spread of invasive species in Ontario. We have established partnerships with hundreds of community groups, non-government organizations and all levels of government in order to continue to respond to emerging threats and engage millions of people each year in invasive species education, awareness, monitoring, reporting, control and prevention.

Invasive species continue to have significant impacts on Ontario's environment, economy and society. We recognize that education and outreach is only one part of the solution, and there is a need for a strong legislative and regulatory framework to better prevent, detect and respond to invasive species. The current framework is a patchwork of regulations, and the proposed Invasive Species Act would provide Ontario with significant tools to address current gaps.

We are pleased to see that the government of Ontario is proposing to use a risk-based approach that considers the full range of threats, not only the costs and benefits to the environment but also to social and economic activities as well. Our recreational fisheries are estimated to be worth \$3.5 billion annually and provide enormous other social and cultural benefits to society. Therefore, protecting Ontario waters from the threat of invasive species should strongly consider how actions under the act will impact, positively or negatively, our recreational fisheries. This is just one example.

A well-balanced, comprehensive and transparent risk assessment framework for both pathways and species will be essential. The development of a proper risk assessment methodology that clearly categorizes levels of risk must be done up front and will require adequate time prior to the legislation coming into force.

Time will also be critical for the government of Ontario to ensure that adequate and meaningful public consultation is scheduled when developing regulations or policy. This will be particularly important for any regulations or policies pertaining to the powers of inspectors, like accessing private land. We must continue to engage anglers, hunters, trappers and landowners in stewardship because they are on the front lines and play a very critical role in the solution moving forward.

Private landowners in many parts of Ontario will make the difference in the success of this legislation. There are

lessons to be learned from Ontario's experience with the implementation of the Endangered Species Act so that we do not discourage participation because of fear of legal implications and private property interventions.

There will always be finite resources to fight invasive species, so we need to ensure that our efforts are coordinated to minimize duplication and inefficiencies. This will require continued and enhanced co-operation among all levels of government and ministries to ensure we are maximizing our potential for invasive species prevention and control.

The Ministry of Natural Resources and Forestry continues to be the lead government agency in the fight against invasive species. The proposed act is intended to enhance Ontario's capacity for the prevention and control of invasive species. Therefore, the government of Ontario must ensure that the MNRF has adequate new government funding to support the implementation of the Invasive Species Act.

The release of the Ontario Invasive Species Strategic Plan in 2012 and the proposal of the Invasive Species Act show the continued commitment and support from the government of Ontario to respond to the threat of invasive species. The OFAH supports the proposed Invasive Species Act, but in order to make it as successful as possible, we need to make sure that the implementation is well thought out, adequately funded and empowers the public to make a difference. Stakeholders like the OFAH have a key role in the prevention and control of invasive species, and we look forward to working with the government of Ontario on the development of supporting regulations and policies.

Thank you for your attention. I'd be happy to answer any questions.

The Acting Chair (Ms. Cindy Forster): Thank you. We'll start with the official opposition. Mr. Barrett.

Mr. Toby Barrett: Just a brief question: You mentioned adequate resources for Ontario's Ministry of Natural Resources. Oftentimes, compared to spending in other ministries, it certainly has been declining over many, many years. Are there are other jurisdictions we can look to—say, other states or provinces—that have a handle on this or have gotten out in front of this, from the government perspective? Certainly, there are other groups, like OFAH, that are attacking it, but other state jurisdictions or other state natural resource departments?

Mr. Matt DeMille: Do you mean from a funding perspective or a regulatory and legislative perspective?

Mr. Toby Barrett: Yeah, or just even approaches of actually killing some of this stuff.

Mr. Matt DeMille: I'm not familiar with how other jurisdictions are managing the threats of invasive species or the funding that's available to those jurisdictions. I imagine there is some knowledge within our Invading Species Awareness Program about how other jurisdictions are working on these things, but I don't have specific knowledge of what others are doing other than when we collaborate on a binational scale, and in around

the Great Lakes, but those are coordinated by national efforts.

Mr. Toby Barrett: Sure.

The Chair (Ms. Cindy Forster): Mr. MacLaren?

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Mr. Jack MacLaren: I appreciate seeing you have regard for private property. Could you explain to me how your organization in the past or historically has approached private landowners when you want access to their property to look at anything?

Mr. Matt DeMille: Absolutely. We have the benefit of being non-government, so that right there is something. When we approach landowners, we're able to enter into discussions. There is, I think, an inherent fear that was talked about earlier of what governments are doing or what could potentially happen if governments come on your land.

I think, really, what we do is engage landowners in stewardship. We want them to understand the benefits of what entry on to their land would mean. If we want to collaborate on a project for stream restoration, which is something we have a lot of experience with, we go to those landowners and we explain the benefits of allowing us to come on to their lands to work with them, engage them and empower them to make a difference, because it will benefit them but it will also benefit society as a whole. It's really about working with them on things that we have mutual interest in. It's showing them those benefits.

Mr. Jack MacLaren: I really appreciate you saying that, and I agree with you bang on.

Mrs. Gila Martow: Do we have 10 more seconds?

The Acting Chair (Ms. Cindy Forster): You have 10 seconds.

Mrs. Gila Martow: I'll just say that I agree with you that a better approach is the carrot than the stick. I think that what we really need here is public education and getting people to have a better understanding.

The Acting Chair (Ms. Cindy Forster): Thank you. Mr. Mantha?

Mr. Michael Mantha: I just wanted to say thank you for having supported a young gentleman out of my riding. His name is Eric Labelle. He came out with a report on the Invading Species Awareness Program, on which the federation actually helped him out with the funding. It's a fabulous document. If any of you have the time to read it, go out and read it. There's tons of information in there that is really useful.

One of the communities that I represent has a wonderful lake within their community limits. What happened was, an invasive species was introduced to the lake: a shiner. What's happening is that they used to have some record fishing that was going on in that lake, particularly for pickerel. What has happened now is that the mass of fish remains in the lake; however the numbers have diminished because now the fish are gorging on this invasive species that was introduced and they are no longer feeding.

However, as you can understand, tourism is big in northern Ontario and some of these tourism outfitters are relying on having people who come to their camps to catch fish. How do you see educating those communities or those business owners? If you introduce anything more or if we have anything more coming into this lake, it's actually going to be harmful. When we're actually looking at—this is going to create a really big, negative impact on your business.

Mr. Matt DeMille: I think that's critical, and it goes to the last question. It's about engaging those individuals, those groups, those landowners and those businesses and talking about the benefits of what we're trying to do.

What you're talking about is prevention. Really, that's what we need to do. We need to prevent invasive species from coming into Ontario and spreading in Ontario. I think that's really key, to talk about the benefits of doing that upfront work, because it will cost us far more to prevent those invasive species from coming in and spreading than it will to address them after the fact. So it's really about showing those benefits and also showing the potential costs of what could happen. Sometimes, as was said earlier, it's innocence. These things are not done intentionally or on purpose, but they can still have the same effects. So therefore, we need to go in and talk to those individuals about what they can do to not introduce any species.

Mr. Michael Mantha: Thank you.

The Acting Chair (Ms. Cindy Forster): Thank you. Government: Ms. Wong?

Ms. Soo Wong: Thank you so much for your work. I understand, in your remarks, you also indicated your partnership with the Minister of Natural Resources and Forestry.

Mr. Matt DeMille: Yes.

Ms. Soo Wong: My question is, can you share with the committee how the hunters and anglers may be involved? Because you keep talking about engagement in terms of the issue of prevention, detection and responding to invasive species, if you could elaborate on that particular point.

Mr. Matt DeMille: We've been focusing for really the entirety of our program—so for more than 20 years we've been looking at ways to engage the average, everyday citizen in activities that they can do to help prevent the introduction and spread of invasive species.

There are some prime examples that we have that really focus—our programs all focus around that education and awareness, things like Operation Bait Bucket or different best management practices that people can use. So we really try to empower them to make a difference. Anglers: The bait buckets are a prime example. We look at Operation Boat Clean. It's cleaning your boat so you're not spreading invasive species from lake to lake.

We've even had, in the recent past, information brochures for waterfowlers, waterfowl hunters, on what they can do to help prevent the spread of invasive species—real, practical, tangible stuff that can be used. They can take that, they can come to a seminar, read a brochure

and say, "Oh, that's something simple that I can do to be a part of this."

Ms. Soo Wong: Do I have more time, Madam Chair?

The Acting Chair (Ms. Cindy Forster): You've got about a minute and a half.

Ms. Soo Wong: A minute and a half; okay.

On the bottom of page 4 of your written submission—I'm going to make the statements, and I need to ask the question. "The proposed act is intended to enhance Ontario's capacity for the prevention and control ... the government of Ontario must ensure that the MNRF has adequate new government funding to support the implementation...."

My question is to you, to the committee and to the Chair: How much money are you asking for?

Mr. Matt DeMille: As much as you're willing to give.

Laughter.

Ms. Soo Wong: Good. What's the dollar amount?

Mr. Matt DeMille: I don't have a dollar amount. It's really about: The more dollars we have, the more we can do. Behind that statement was—we're already doing work on education and awareness and trying to prevent

the introduction and spread of invasive species, but we want to do more. This is about being better. We want to continue what we're doing. But to be better, to enhance what we can do through this act and the regulations and policies that come out of it, we will need more funding in order to do that enhancement.

We want to continue to do what we're doing, but we want to do more. Whatever money we can get, we will take it and we will use it.

Ms. Soo Wong: Thank you very much for your presentation.

Mr. Matt DeMille: Thank you.

The Acting Chair (Ms. Cindy Forster): Thank you so much for your presentation. Thanks to all of the presenters who were here today.

A reminder to committee members: Pursuant to the order of the House, the deadline to file amendments to Bill 37 with the committee Clerk is noon tomorrow, Wednesday, September 30, 2015.

This committee stands adjourned until 2 p.m. on Monday, October 5, 2015.

The committee adjourned at 1657.

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Lundi 5 octobre 2015

Standing Committee on Social Policy

Invasive Species Act, 2015

Comité permanent de la politique sociale

Loi de 2015 sur les espèces
envahissantes



Chair: Peter Tabuns
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 5 October 2015

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 5 octobre 2015

The committee met at 1403 in room 151.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Good afternoon, everyone. In the absence of the Chair and Vice-Chair, it is my duty to call upon you to elect an Acting Chair. Are there any nominations? Ms. Armstrong.

Ms. Teresa J. Armstrong: I nominate Ms. Gélinas for Chair.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Madame Gélinas, do you accept the nomination?

M^{me} France Gélinas: I do.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Are there any further nominations?

There being no further nominations, I declare the nominations closed and Madame Gélinas duly elected Acting Chair of the committee.

INVASIVE SPECIES ACT, 2015
LOI DE 2015 SUR LES ESPÈCES
ENVAHISANTES

Consideration of the following bill:

Bill 37, An Act respecting Invasive Species / Projet de loi 37, Loi concernant les espèces envahissantes.

The Acting Chair (M^{me} France Gélinas): Good afternoon, everyone. The Standing Committee on Social Policy will now come to order. We are here for clause-by-clause consideration of Bill 37, An Act respecting Invasive Species. If that's not what you're here for, there's another committee down the hall. That's where I went first, just so you know.

I would like to remind members that pursuant to the order of the House dated June 2, 2015, following the completion of the second hour of clause-by-clause consideration, those amendments which have not yet been moved shall be deemed to have been moved, and the Chair of the committee shall interrupt the proceedings and shall, without further debate or amendment, put every question necessary to dispose of all remaining sections of the bill and any amendment thereto. At this time, the Chair can allow one 20-minute waiting period pursuant to standing order 129(8).

If it's okay with everybody, I propose that consecutive sections with no amendments be grouped together, unless the members would like to vote on a section separately. When there's no amendment, is it okay if I group them together to call for the vote?

Interjection: Sure.

The Acting Chair (M^{me} France Gélinas): Okay, very good.

I will make one small comment: I will have to skip out from about 3:20 to 3:45, and John Vanthof will be coming in to sub in for Chair so that we keep the committee going. I'm sorry about that. The person who's supposed to be here is sick.

Any further questions?

Mr. Jack MacLaren: I'd like to make a comment before we start, Chair.

The Acting Chair (M^{me} France Gélinas): Sure.

Mr. Jack MacLaren: I have copies of letters that I'd like Valerie to distribute around, if I may. Thank you, Valerie.

I got a phone call from a concerned fellow named Robert Whiteside who phoned in last week. His phone reception was terrible and most of us couldn't really make out very well what he was trying to say. We had a phone chat this morning, and he was very clear and succinct and asked me to deliver this message to you. This isn't so much an amendment as a message to this bill and this committee.

He is a Métis so he speaks on behalf of the Métis Nation of Ontario. The letter you received is from the Métis Nation of Ontario, as of a year ago, to the MNR. Their concern is with the definition in the legislation of invasive species. They are very troubled by that and object to it. The definition they would like to see—and I know that's probably not going to happen today because we missed that opportunity—is included on page 4 of that letter and it is from the Ontario Invasive Species Strategic Plan 2012. There are about four lines there.

That is what they would like to see included as the definition of an invasive species. Their real complaint or problem is they feel that they have not had an opportunity for consultation, which is their right. You'll read at the last sentence at the bottom of paragraph 1: "Regardless, actions like these trigger the duty to consult and accommodate our aboriginal title and rights, in keeping with the honour of the crown and the promise of section 35 of the Constitution Act, 1982 to the Métis Nation."

So they feel they have a constitutional right to consultation and that was denied them. During the consultation, they would have said the words that they object to that definition. Robert Whiteside asked me to say to you that if this bill goes forth with this definition, the Métis

Nation of Ontario will be the suing the province of Ontario or challenging this bill, if it becomes law, in courts as being unconstitutional, based on section 35. That is my comment on behalf of Robert Whiteside.

The Acting Chair (M^{me} France Gélinas): Thank you for those comments. Are there other comments before we start?

Ms. Eleanor McMahon: Chair?

The Acting Chair (M^{me} France Gélinas): Sure.

Ms. Eleanor McMahon: I'd just like to thank the member opposite for raising this issue. We'll make sure the ministry receives the comments. Thank you.

The Acting Chair (M^{me} France Gélinas): Are we all ready? Okay.

I'm on section 1 of the bill. The government has a motion on section 1. Who will be bringing it forward? Go ahead.

Ms. Eleanor McMahon: I move that section 1 of the bill be amended by striking out the definitions of "moderate threat invasive species" and "significant threat invasive species" and by adding the following definitions:

"prohibited invasive species" means an invasive species that is classified as a prohibited invasive species by a regulation made under section 4; ('espèce envahissante interdite')

"restricted invasive species" means an invasive species that is classified as a restricted invasive species by a regulation made under section 4; ('espèce envahissante faisant l'objet de restrictions')

1410

The Acting Chair (M^{me} France Gélinas): Thank you, MPP McMahon. Any comments? Ms. Martow? No? No comments? Everybody ready for the vote?

Ms. Eleanor McMahon: Can I ask for a recorded vote please, Madame Chair?

The Acting Chair (M^{me} France Gélinas): Absolutely.

Ayes

Anderson, Armstrong, Mangat, McGarry, McMahon, Vernile.

Nays

MacLaren, Martow.

The Acting Chair (M^{me} France Gélinas): I declare the motion carried.

Ready to vote on section 1? All those in favour of section 1, as amended? All those opposed? Motion carried.

I am moving on to section 2. In section 2, we have nothing; we have no amendment. Any comments on section 2? Seeing none, are we ready to vote? All those in favour of section 2? All those opposed? Section 2 is carried.

I'm moving on to section 3. On section 3, we have a motion put forward by the PCs, Mrs. Martow.

Mrs. Gila Martow: I move that subsection 3(2) of the bill be struck out.

The Acting Chair (M^{me} France Gélinas): Any comments or questions?

Mrs. Gila Martow: I'll just explain the rationale: that we're worried about wasting time and resources combatting species that are not, in fact, invasive or a danger to our natural habitat, and that policy decisions should be informed by science.

The Acting Chair (M^{me} France Gélinas): Any more comments or questions? Ms. McMahon.

Ms. Eleanor McMahon: We will be voting against this. In response to the motion, our concern is that this is rather limiting rather than enabling, and when a swift response is required, we need the tools necessary. Inspectors and enforcement officers are already required to meet stringent standards contained within the bill. I just wanted to put that on the record. Thank you.

The Acting Chair (M^{me} France Gélinas): Any more questions or comments? Mr. MacLaren.

Mr. Jack MacLaren: Well, instead of stroking out that section, how about we change the following words—this is subtle, but significant. Instead of the part where it says, "in the absence of evidence to the contrary," stroke that out and at the end of the paragraph, add the words, "until evidence to the contrary can be provided"—which means that at some time in the future, if somebody can come up with evidence to show that the creature that looks the same isn't the same, that evidence is incorporated into here as reason to remove it from the endangered species specification.

The Acting Chair (M^{me} France Gélinas): Unfortunately, Mr. MacLaren, given that this is a decision of the House that has been given to this committee, we cannot entertain any further motions than those that have been circulated, no matter how good or bad they are.

Back to motion number 2, any further comments or questions? Hearing none, are we ready for the vote? All those in favour of motion number 2? All those opposed? I declare the motion lost. Not win, lost.

I am now looking at section 3, which has no amendment. Are you ready to vote on section 3? No questions or comments? All those in favour of section 3? All those opposed? I declare section 3 carried.

I am moving on to section 4. On section 4, we have a government motion. Ms. McMahon.

Ms. Eleanor McMahon: I move that subsections 4(2) and (3) of the bill be struck out and the following substituted:

"Classes of invasive species

"(2) A regulation under subsection (1) shall classify each prescribed invasive species into one of the following classes:

"1. A prohibited invasive species, being an invasive species to which the prohibitions set out in section 7 and the measures set out in sections 23 and 27 apply.

"2. A restricted invasive species, being an invasive species to which the prohibitions set out in subsection 8(1) apply and to which conditions, restrictions or pro-

hibitions may be added by regulation under subsection 8(2) or (3) and measures set out in sections 23 and 27 may be made to apply by regulation.

“Same

“(3) The classification of an invasive species under subsection (2) shall be based on the extent to which the species is present in the natural environment in Ontario at the time the regulation is made and on other considerations such as the following:

“1. The species’ biological characteristics.

“2. The harm the species has had on the natural environment, if any, or is likely to have in the future.

“3. The dispersal ability of the species.

“4. The social or economic impacts of the species.”

Thank you, Madam Chair.

The Acting Chair (M^{me} France Gélinas): Any questions or comments regarding the amendment? Hearing none, are we ready to vote? All those in favour of the motion, please raise your hand. All those opposed? The amendment is carried.

We have a second amendment, put forward by the Progressive Conservative Party. Mrs. Martow?

Mrs. Gila Martow: I move that section 4 of the bill be amended by adding the following subsection:

“Lists of invasive species

“(4) For greater certainty, the regulation under subsection (1) shall contain the following lists:

“1. A list of all the species that are classified by the regulation as moderate threat invasive species.

“2. A list of all the species that are classified by the regulation as significant threat invasive species.”

The Acting Chair (M^{me} France Gélinas): Before any comments or questions are entertained, I have to rule that this amendment is out of order because, if passed, it would create an inconsistency in terms of language or reference. I’m sorry.

Mrs. Gila Martow: Okay.

The Acting Chair (M^{me} France Gélinas): I’m now ready to vote on section 4, as amended. Is everybody ready for the vote? All those in favour? All those opposed? Section 4 is carried, as amended.

I’m now on section 5. We have a PC motion. Mrs. Martow?

Mrs. Gila Martow: I move that subsection 5(1) of the bill be amended by striking out “if, in his or her opinion” at the end of the portion before clause (a) and substituting “if, in his or her evidence-based assessment”.

The Acting Chair (M^{me} France Gélinas): Any questions or comments regarding the amendment?

Mrs. Gila Martow: So I think that again it comes back to—sorry, Madam Chair.

Again, it comes to evidence-based, and based on scientific fact.

The Acting Chair (M^{me} France Gélinas): Questions or comments on the amendment? Seeing none, are we ready to vote on the amendment? All those in favour of the amendment, please raise your hand. All those opposed? I declare the amendment lost.

We have a government amendment, number 6. Ms. McMahon?

Ms. Eleanor McMahon: Thank you, Madam Chair.

I move that clauses 5(1)(a) and (b) of the bill be struck out and the following substituted:

“(a) the invasive species poses a serious and imminent threat to the natural environment that requires the immediate application of the provisions of this act and of such other safeguards as may be specified in the order; and”

The Acting Chair (M^{me} France Gélinas): Any questions or comments regarding the government amendment? Seeing none, are we ready to vote? All those in favour of the amendment? Carried.

We have a second amendment of subsection 5(2). Ms. McMahon.

Ms. Eleanor McMahon: Thank you. I move that subsection 5(2) of the bill be struck out and the following substituted:

“Effect of order

“(2) If an order is made under subsection (1), the following sections of this act shall apply to the designated invasive species as if it were a prohibited invasive species:

“1. Section 7 (Prohibited invasive species, prohibitions).

“2. Section 23 (Declaration of invaded place).

“3. Section 27 (Actions to control or eradicate invasive species).”

The Acting Chair (M^{me} France Gélinas): Any questions or comments for the government amendment? Seeing none, are we ready for the vote? All those in favour of the amendment? All those opposed? The amendment is carried.

I’m now looking at section 5, as amended. Are there any questions or comments for section 5?

All right. Ready to vote on section 5, as amended?

Mrs. Gila Martow: Can I request that we vote on section 6 at the same time? Or we can’t do that?

The Acting Chair (M^{me} France Gélinas): Because we’ve amended section 5, we have to do that—

Mrs. Gila Martow: We have to do it separately. Okay.

The Acting Chair (M^{me} France Gélinas): But I like the direction you’re going in.

Ready to vote on section 5, as amended? All those in favour? All those opposed? Section 5, as amended, is carried.

There are no amendments for section 6. Are there any questions or comments? Seeing none, ready for the vote? All those in favour of section 6? All those opposed? Section 6 is carried.

We’re now—

Interjection.

The Acting Speaker (M^{me} France Gélinas): We have a government motion. Ms. McMahon.

Ms. Eleanor McMahon: I move that the heading before section 7 of the bill be struck out and the following substituted:

“Prohibitions and Restrictions.”

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment? Seeing none, are we ready to vote on the amendment? All those in favour of the amendment? All those opposed? The amendment is carried.

We now have another government amendment for section 7.

Ms. Eleanor McMahon: I move that section 7 of the bill be struck out and the following substituted:

“Prohibited invasive species, prohibitions

“7. No person shall,

“(a) bring a member of a prohibited invasive species into Ontario or cause it to be brought into Ontario;

“(b) deposit or release a member of a prohibited invasive species or cause it to be deposited or released;

“(c) possess or transport a member of a prohibited invasive species;

“(d) propagate a member of a prohibited invasive species; or

“(e) buy, sell, lease or trade or offer to buy, sell, lease or trade a member of a prohibited invasive species.”

The Acting Chair (M^{me} France Gélinas): Any questions or comments for the amendment to section 7? Seeing none, are we ready for the vote on the amendment? All those in favour of the amendment? All those opposed? The amendment is carried.

We are now ready to vote on section 7. Any questions or comments on section 7? No? Hearing none, are we ready to vote on section 7, as amended? All those in favour? All those opposed? Section 7 is carried, as amended.

We’re moving on to section 8, and we have a government amendment.

Ms. Eleanor McMahon: I move that section 8 of the bill be struck out and the following substituted:

“8(1) No person shall,

“(a) bring a member of a restricted invasive species into a provincial park or conservation reserve or cause it to be brought into a provincial park or conservation reserve; or

“(b) deposit or release a member of a restricted invasive species in Ontario or cause it to be deposited or released in Ontario.

“Conditions and restrictions

“(2) A person who carries out any of the following activities shall comply with any conditions or restrictions that are prescribed:

“1. Bring a member of a restricted invasive species into Ontario or cause it to be brought into Ontario.

“2. Possess or transport a member of a restricted invasive species.

“3. Propagate a member of a restricted invasive species.

“4. Buy, sell, lease or trade or offer to buy, sell, lease or trade a member of a restricted invasive species.

“Prohibition by regulation

“(3) A person shall not carry out an activity described in subsection (2) if it is prohibited by regulation.

“Definition

“(4) In this section,

“‘provincial park or conservation reserve’ means an area set apart as a provincial park or conservation reserve under the Provincial Parks and Conservation Reserves Act, 2006.”

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment to section 8? Seeing none, are we ready for the vote? All those in favour of the amendment? All those opposed? The amendment is carried.

We will now be looking at section 8, as amended. Any questions or comments? We’re ready for the vote? All those in favour of section 8, as amended? All those opposed? Section 8, as amended, is carried.

We are now looking at section 9 and we have a government motion. Ms. McMahon.

Ms. Eleanor McMahon: I move that subsection 9(1) of the bill be amended by striking out “Subsections 7(1), (2) and (4) and subsection (8)” at the beginning and substituting “Section 7 and subsection 8(1).”

The Acting Chair (M^{me} France Gélinas): You made a little—

Ms. Eleanor McMahon: Did I make a little error? Sorry.

The Acting Chair (M^{me} France Gélinas): Just a little error. You said after “(4)” on the second line “subsection (8).” It’s “section 8.”

Ms. Eleanor McMahon: Sorry. Can I correct my record? “Section 8.” Thank you, Madam Chair.

The Acting Chair (M^{me} France Gélinas): Thank you. Any questions or comments on the motion to amend section 9? Seeing none, ready for the vote? All those in favour of the amendment? All those opposed? The amendment is carried.

We have another amendment from the government. Ms. McMahon.

Ms. Eleanor McMahon: I move that subsection 9(2) of the bill be amended by,

(a) striking out “Subsections 7(1), (2) and (4) and section 8” at the beginning and substituting “Sections 7 and 8”; and

(b) striking out “subsection 7(1), (2) or (4) or section 8” in clause (a) and substituting “section 7 or 8.”

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment? Seeing none, are we ready for the vote? All those in favour of the amendment? All those opposed? The amendment is carried.

We have one more amendment to section 9. Ms. McMahon.

Ms. Eleanor McMahon: I move that subsection 9(3) of the bill be struck out and the following substituted:

“Same, prevention and response plans

“(3) Clauses 7(b) and (c), clause (8)(1)(b), paragraph 2 of subsection 8(2) and any prohibition imposed by regulation under subsection 8(3) do not apply to a person who possesses, transports, deposits or releases a member of an invasive species in the course of implementing a

prevention and response plan if the possession, transportation, deposit or release of the member of the invasive species was carried out in accordance with the provisions of the plan."

1430

The Acting Chair (M^{me} France Gélinas): Any questions or comments regarding the amendment? Seeing none, are we ready for the vote? All those in favour? All those opposed? The amendment is carried.

Any more comments on section 9, as amended? Seeing none, are we ready to vote on section 9, as amended? All those in favour? All those opposed?

Interjections.

The Acting Chair (M^{me} France Gélinas): We're not recording. Section 9, as amended, is carried.

This is where we could work on Ms. Martow's idea where, given that there are no amendments for section 10, section 11 and section 12, I would like to put all three sections to the vote at the same time. Any questions or comments on sections 10, 11 or 12? Hearing none, are we ready for the vote? All those in favour of sections 10, 11 and 12? All those opposed? Sections 10, 11 and 12 are carried.

If you have been following, we're now in section 13, and we have a government amendment. Ms. McMahon.

Ms. Eleanor McMahon: Thank you, Madam Chair. Bear with me while I just make sure I'm in the right section.

The Acting Chair (M^{me} France Gélinas): It would be number 14.

Ms. Eleanor McMahon: Thank you. I just want to concur here.

Interjection.

Ms. Eleanor McMahon: I apologize, everyone. Thank you, Madam Chair.

I move that subsection 13(1) of the bill be struck out and the following substituted:

"Prevention and response plans

"(1) The minister may cause a prevention and response plan to be prepared with respect to an invasive species."

The Acting Chair (M^{me} France Gélinas): Any questions or comments regarding the amendment? Seeing none, are we ready to vote on the amendment? All those in favour? All those opposed? The amendment is carried.

We have an amendment to subsection 13(2). Ms. McMahon.

Ms. Eleanor McMahon: I move that subsection 13(2) of the bill be amended by striking out "a significant threat invasive species" in the portion before clause (a) and substituting "an invasive species".

The Acting Chair (M^{me} France Gélinas): Are there any questions or comments on the amendment? Seeing none, are we ready to vote? All those in favour of the amendment? All those opposed? The amendment is carried.

We have an amendment to clause 13(3)(a).

Ms. Eleanor McMahon: I move that clause 13(3)(a) of the bill be amended by striking out "significant threat invasive species" and substituting "invasive species".

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment? Seeing none, are we ready to vote on the amendment? All those in favour? All those opposed? The amendment is carried.

We have a government amendment to section 13(4).

Ms. Eleanor McMahon: I move that subsection 13(4) of the bill be struck out.

The Acting Chair (M^{me} France Gélinas): Do we have any questions or comments on the amendment? Mrs. Armstrong.

Ms. Teresa J. Armstrong: We noticed that what this does is it's going to take out the responsibility of specifying someone who's going to implement the plan. Is there somewhere in your other motions that brings that back in, or is it just going to be left where no one is designated to implement that plan specifically?

Ms. Eleanor McMahon: Interesting. Through you, Madam Chair, the answer is, I don't know. My understanding is that this motion was put forward—and the response certainly in committee the other day, responding to stakeholder comments. I'm going to look for my reading notes here.

My understanding, just to respond to MPP Armstrong, is that this change will remove a limitation that only the person or entities listed are responsible for the implementation of a plan. Is that helpful? Co-operation and collaboration are essential for success, and this change promotes a sense of mutual responsibility. Some plans may still be implemented by persons or organizations responsible. Prevention and response plans will be available online and easily accessible to interested parties and members of the public.

I guess in essence we're trying to strengthen the act here. I don't know if that helps to respond to your query.

Ms. Teresa J. Armstrong: There is some response; thank you.

The Acting Chair (M^{me} France Gélinas): More questions and comments from Mrs. Martow.

Mrs. Gila Martow: Sort of to continue that topic, I think that what we heard from many of the stakeholders is that we have some fantastic concerned groups. Some are non-profit or non-government organizations. They're happy to see this government addressing something that's very close to their heart and they are passionate about, but they're nervous that they are not going to be part of the process of how things get implemented. I think it will be nice if we had something in there about consulting with the existing organizations in the implementation—inviting them to be at the table.

The Acting Chair (M^{me} France Gélinas): Yes, Mrs. McGarry?

Mrs. Kathryn McGarry: Thank you very much. I do listen to the concerns. We all heard how important it is to have collaboration throughout the group. So, really, this change removes the limitation that only persons or entities that are listed are responsible for the implementation of the plan. This is really there to gather collaboration from all stakeholders in the implementation of the plan.

The Acting Chair (M^{me} France Gélinas): Further questions or comments on the amendment? Seeing none, are we ready for the vote? All those in favour of the amendment? All those opposed? The amendment is carried.

I'm now looking at section 13, as amended. Any further comments or questions? If not, are we ready for the vote on section 13, as amended? All those in favour of section 13, as amended? All those opposed? The section is carried, as amended.

I'm now looking at section 14. We have a government amendment. Mrs. McMahon.

Ms. Eleanor McMahon: Thank you, Madam Chair. I move that subsection 14(1) of the bill be amended by striking out “a significant threat invasive species” at the end and substituting “an invasive species”.

The Acting Chair (M^{me} France Gélinas): Are there any questions or comments on the amendment to section 14? Seeing none, are we ready for the vote? All those in favour of the amendment? All those opposed? The amendment is carried.

I'm now looking at section 14, as amended. Are there any questions or comments on section 14, as amended? Seeing none, are we ready for the vote? All those in favour? All those opposed? Section 14, as amended, is carried.

Yes?

Mrs. Gila Martow: I just wanted to ask for unanimous consent to vote on motion 27 first before we do the group vote.

The Acting Chair (M^{me} France Gélinas): Let me consult with the Clerk.

Interjection.

The Acting Chair (M^{me} France Gélinas): If you would allow, given that there are no amendments to sections 15 and 16, I would ask that we vote on those two sections. Once we get to section 17, we will entertain your request. Is this reasonable?

Mrs. Gila Martow: Yes.

The Acting Chair (M^{me} France Gélinas): Okay. Any questions or comments on section 15 or section 16? Seeing none, are we ready to vote on sections 15 and 16? All those in favour of sections 15 and 16? All those opposed? Sections 15 and 16 are carried.

Mrs. Martow?

1440

Mrs. Gila Martow: I'm asking for unanimous consent to vote on motion 27 first, before we look at section 17.

The Acting Chair (M^{me} France Gélinas): Do we have unanimous consent to deal with motion number 27 first? I hear a no; therefore, we have a PC amendment to section 17. Ms. Martow?

Mrs. Gila Martow: I move that clause 17(1)(b) of the bill be amended by striking out “or” at the end of subclause (iii), by adding “or” at the end of subclause (iv) and by adding the following subclause:

“(v) a term of an agreement referred to in subsection 27(6).”

The Acting Chair (M^{me} France Gélinas): Any questions or comments regarding the PC amendment?

Mrs. Gila Martow: I'll make the comment, if I may.

The Acting Chair (M^{me} France Gélinas): Go ahead.

Mrs. Gila Martow: The reason that we wanted to address the previous motion, 27, first was that we were looking to change the wording in the bill from an “order” to an “agreement.” I guess that's more of a collaborative word when you're working with different stakeholders. In terms of this amendment, we want to commit to working with landowners rather than forcing upon them. Again, it's about the spirit of collaboration.

The Acting Chair (M^{me} France Gélinas): Questions or comments on the amendment? Yes, Mrs. McMahon.

Ms. Eleanor McMahon: While appreciating the desire for a co-operative dialogue, our concern would be that it sets in motion a series of limitations for an agreement to be developed when sometimes time can be of the essence. It would limit our capacity to act when time is of the essence, in particular, Madam Chair, and that would be the essence of our concern.

Section 12 of the bill already enables the ministry to enter into agreements where possible, so that provision is already there. So we have concerns about this amendment.

The Acting Chair (M^{me} France Gélinas): Yes, Mr. MacLaren.

Mr. Jack MacLaren: A warrant can be obtained if there's a matter of urgency at any time. Warrants can be obtained fairly quickly, because we've seen that happen many times, so I don't believe there's a concern that way. It's just showing due respect for private property.

The Acting Chair (M^{me} France Gélinas): Mrs. McGarry.

Mrs. Kathryn McGarry: Chair, through you—certainly recognizing that, and I think that really the spirit of the bill is to be able to rapidly respond to a very high-risk situation. Similar authority already exists in the Weed Control Act.

With respect to landowners, I think that the only time this would be really needed is when there's a very perceived risk.

The Acting Chair (M^{me} France Gélinas): Further questions or comment on the amendment? Seeing none, are we ready to vote? All those in favour of the amendment to clause 17(1)(b)? All those opposed? I declare the amendment lost.

I'm now looking at section 17. Any further questions or comment on section 17? Seeing none, are we ready to vote on section 17? All those in favour? All those opposed? I declare the motion carried. Section 17 is carried.

Ms. Eleanor McMahon: Madam Chair, can I make a suggestion?

The Acting Chair (M^{me} France Gélinas): Yes, you can.

Ms. Eleanor McMahon: I'm seeing that sections 18, 19, 20, 21 and 22 are not amended. May I make the suggestion that we vote for them in a group? I'm using the excellent—

The Acting Chair (M^{me} France Gélinas): You're reading my mind.

Ms. Eleanor McMahon: —ideas of Madame Martow in front, so in that spirit. Thank you, Madam Chair.

The Acting Chair (M^{me} France Gélinas): My pleasure. So as it was mentioned, are there any questions or comments for sections 18, 19, 20, 21 and 22?

Mr. Jack MacLaren: I would like just one minute to glance through them before we vote.

The Acting Chair (M^{me} France Gélinas): Absolutely. Take one minute.

Interjection.

The Acting Chair (M^{me} France Gélinas): You have about 15 seconds left.

Mr. Jack MacLaren: We're all good.

The Acting Chair (M^{me} France Gélinas): All right. Are we ready to vote on sections 18, 19, 20, 21 and 22? All those in favour of those sections, please raise your hand. All those opposed? I declare sections 18, 19, 20, 21 and 22 carried.

We are now at section 23, and we have a government amendment.

Ms. Eleanor McMahon: I move that clause 23(1)(a) of the bill be amended by striking out "a significant threat invasive species" and substituting "an invasive species."

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment to clause 23(1)(a)? Seeing none, are we ready for the vote? All those in favour of the amendment? All those opposed? The amendment is carried.

We have a second amendment to section 23; that's (1.1). Ms. McMahon.

Ms. Eleanor McMahon: I move that section 23 of the bill be amended by adding the following subsection:

"Non-application to restricted invasive species

"(1.1) Despite subsection (1),

"(a) no order shall be made under that subsection with respect to a restricted invasive species unless the species is prescribed as a restricted invasive species to which this section applies; and

"(b) an order made under that subsection with respect to a restricted invasive species shall comply with any conditions that are prescribed."

The Acting Chair (M^{me} France Gélinas): Are there any questions or comments regarding the amendment to section 23(1.1)? Seeing none, are we ready to vote on the amendment? All those in favour of the amendment? All those opposed? The amendment is carried.

I'm now looking at section 23, as amended. Any questions or comments on section 23? Seeing none, are we ready to vote on section 23, as amended? All those in favour of section 23, as amended? All those opposed? Section 23, as amended, is carried.

In our tradition, we will look—sorry. Go ahead, Mrs. McGarry.

Mrs. Kathryn McGarry: In the spirit, sections 24, 25 and 26 are not amended. Could we class those together?

The Acting Chair (M^{me} France Gélinas): Absolutely. It'll be my pleasure to do that. Given that we have no amendments to sections 24, 25 and 26, is it the wish of the committee that we deal with them together?

Mr. Jack MacLaren: One minute.

1450

The Acting Chair (M^{me} France Gélinas): I absolutely give you one minute. You're on a timer.

Ten seconds left. We're all good? All right. We're looking at sections 24, 25 and 26. There are no amendments. Are we ready to vote? All those in favour of sections 24, 25 and 26? All those opposed? Sections 24, 25 and 26 are carried.

We're now at section 27, and I have a PC motion to subsection 27(1). Mrs. Martow?

Mrs. Gila Martow: Oh, sorry. I'd like to withdraw.

The Acting Chair (M^{me} France Gélinas): Withdraw.

I now have a government motion to subsection 27(1). Mrs. McMahon?

Ms. Eleanor McMahon: I move that subsection 27(1) of the bill be amended by striking out the portion immediately after clause (a) and substituting the following:

"Actions to control or eradicate invasive species

"(1) The minister may cause actions described in subsection (2) to be carried out with respect to an invasive species, or may order a person to take actions under subsection (6) with respect to an invasive species, if,"

The Acting Chair (M^{me} France Gélinas): There was another little hiccup there.

Ms. Eleanor McMahon: Sorry about that.

The Acting Chair (M^{me} France Gélinas): It says "immediately before clause (a)," the second line of your motion. If you could say "immediately before."

Ms. Eleanor McMahon: Forgive me: "immediately before clause (a) and substituting the following".

The Acting Chair (M^{me} France Gélinas): Thank you. Any questions or comments on the amendment to subsection 27(1)? Yes?

Mrs. Gila Martow: I'll just mention that, again, we're concerned about the lack of respect for some homeowners. It doesn't seem to be in the spirit of collaboration, and I think I've mentioned a few times at committee that I prefer the carrot to the stick. I think that we should focus on public awareness and education and a collaborative effort. That doesn't seem to address that.

The Acting Chair (M^{me} France Gélinas): Any further questions or comments to the amendment?

Ms. Eleanor McMahon: Just by way of response, Madam Chair, I understand the spirit of those comments and would simply add that co-operation and collaboration are always critical, but that we need a judicious ability to intervene when a threat is perceived. That is exactly what we're trying to do here. I think both can be possible in the same spirit.

The Acting Chair (M^{me} France Gélinas): Any more questions or comments on the amendment? Seeing none, are we ready to vote on the amendment to subsection 27(1)? All those in favour? All those opposed? The amendment is carried.

We have a government amendment to clauses 27(1)(a) and (b).

Ms. Eleanor McMahon: I move that clauses 27(1)(a) and (b) of the bill be amended by striking out “significant threat invasive species” wherever it appears and substituting in each case “invasive species”.

The Acting Chair (M^{me} France Gélinas): Any questions or comments to the amendment? Seeing none, are we ready to vote on the amendment to clauses 27(1)(a) and (b)? All those in favour of the amendment? All those opposed? The amendment is carried.

We have a government amendment to section 27(1).

Ms. Eleanor McMahon: I move that section 27 of the bill be amended by adding the following subsection:

“Non-application to restricted invasive species

“(1.1) Despite subsection (1), the minister shall not cause actions to be carried out or make an order under that subsection with respect to a restricted invasive species unless the species is prescribed as a restricted invasive species to which this section applies.”

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment? Seeing none, all those in favour of the amendment? All those opposed? The amendment is carried.

We have a government amendment to section 27(2).

Ms. Eleanor McMahon: I move that subsection 27(2) of the bill be amended by striking out “a significant threat invasive species” in the portion before paragraph 1 and substituting “an invasive species”.

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment? Seeing none, are we ready to vote? All those in favour of the amendment? All those opposed? I declare the amendment carried.

We now have a PC amendment to subsection 27(6). Mrs. Martow.

Mrs. Gila Martow: I move that subsection 27(6) of the bill be struck out and the following substituted:

“Agreement

“(6) The minister may enter into an agreement with a person described in subsection (6.1) for the purpose of authorizing the person to do any of the actions described in subsection (2) themselves instead of causing an inspector or other person to carry out the actions under subsection (2).

“Same

“(6.1) The minister may enter into an agreement under subsection (6) with any of the following persons:

“(a) a person who owns or occupies land, a building or a structure that is in the invasive species control area referred to in subclause (1)(a)(i) or that constitutes the invaded place referred to in subclause (1)(a)(ii); or

“(b) a person who has charge of a conveyance that is in the invasive species control area referred to in subclause (1)(a)(i) or that constitutes the invaded place referred to in subclause (1)(a)(ii).”

The Acting Chair (M^{me} France Gélinas): Are there any questions or comments on the amendment? Mrs. Martow.

Mrs. Gila Martow: Again, as I’ve said before, we think it’s important that the government commit to working with landowners in a more collaborative fashion. Some of the orders could be problematic in terms of work schedules and other things.

The Acting Chair (M^{me} France Gélinas): Further comments to the amendment? Yes, Mrs. McGarry.

Mrs. Kathryn McGarry: Again, in the spirit of what we’re looking at, the collaborative process is certainly something that we would be looking at in terms of being able to enter into agreements with individuals or whatever who may have endangered—

Mrs. Gila Martow: Invasive.

Mrs. Kathryn McGarry: —invasive species on their property. This would cover those times when an agreement can’t be reached and the MNRF, the Ministry of Natural Resources and Forestry, needs to go in to ensure compliance with the act, to ensure that the invasive species threat is dealt with.

The Acting Chair (M^{me} France Gélinas): Further questions or comments on the PC amendment? Yes, Mrs. Mangat.

Mrs. Amrit Mangat: Picking up where my colleague left off, such authority already exists in the Weed Control Act, so we will not support this amendment.

The Acting Chair (M^{me} France Gélinas): Thank you, Mrs. Mangat. Further questions or comments on the amendment? Seeing none, are we ready for the vote? All those in favour of the PC amendment to subsection 27(6)? All those opposed? I declare the amendment lost.

We have a PC amendment to subsection 27(7).

1500

Mrs. Gila Martow: I move that subsection 27(7) of the bill be struck out and the following substituted:

“Content of agreement

“(7) An agreement entered into under subsection (6) shall,

“(a) briefly describe the reasons for the agreement;

“(b) describe the actions that the person is authorized to and agrees to carry out to remove or eradicate the significant threat invasive species or to destroy a carrier of the significant threat invasive species; and

“(c) specify the time within which the actions must be carried out.”

The Acting Chair (M^{me} France Gélinas): Unfortunately, this is where it ends because I have to rule that this amendment is out of order because it was dependent on motion number 27, which was just defeated.

We are moving to a government motion on clause 27(7)(b). Ms. McMahon.

Ms. Eleanor McMahon: I move that clause 27(7)(b) of the bill be amended by striking out “significant threat invasive species” wherever it appears and substituting in each case “invasive species”.

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment?

Mrs. Gila Martow: I’ll just mention that again this undermines the rights of property owners. That’s why we find it hard to support.

The Acting Chair (M^{me} France Gélinas): Further comments?

Ms. Eleanor McMahon: Thank you, Madam Chair.

While I appreciate that point of view, this amendment was in direct response to stakeholder comments for a desire for clarification, and that is why we have placed it with careful due consideration. That's why it's here; that's why we want it in the bill.

The Acting Chair (M^{me} France Gélinas): Further comments to the amendment? Seeing none, are we ready to vote on the amendment to clause 27(7)(b)? All those in favour? All those opposed? The amendment is carried.

We now have a PC amendment to subsection 27(8).

Mrs. Gila Martow: Madam Chair, if I could, I would move to withdraw the motions for 27(8), 27(9) and 27(10) because they really only apply if motion 27 had passed.

The Acting Chair (M^{me} France Gélinas): No problem. The three PC motions, numbers 30, 31 and 32, that apply to subsections 27(8), 27(9) and 27(10) have been withdrawn.

We have a government amendment to subsections 27(11) and (12).

Ms. Eleanor McMahon: I move that section 27 of the bill be amended by adding the following subsections:

“Records

“(11) The minister shall keep a record of all actions taken and orders made under this section and the record shall include,

“(a) the number of times actions were taken or an order made in any given year;

“(b) a list of invasive species in respect of which actions were taken or orders were made; and

“(c) a general description of the type of actions that were taken or ordered.

“Records to be public

“(12) The minister shall make the record referred to in subsection (11) available to the public in the manner the minister considers appropriate.”

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment? Yes, Mrs. Martow.

Mrs. Gila Martow: I think that this is a very important amendment. We want to see more transparency and openness. I would even go so far as to recommend that—I guess there are always privacy issues, but I think with something like this, the general public could learn if they were able to follow even what was happening and maybe learn from that, if they could learn how things were eradicated, or that there would be true openness, considering we have so much social media and Internet at our disposal.

The Acting Chair (M^{me} France Gélinas): Ms. Armstrong.

Ms. Teresa J. Armstrong: The question, then, that I would ask is, how long would the records be kept public, on file? Unless it's somewhere else in the bill, I'm not sure how long the requirement is to keep them.

The Acting Chair (M^{me} France Gélinas): She is wondering how long.

Ms. Eleanor McMahon: Yes, I know. Thank you, Madam Chair.

I don't know. I really don't. I don't know that that's set out here. It could be in the legislation already, or perhaps it's not a clarification that we're proposing at this point in time.

I'm looking for clarification from staff. Sorry, MPP Armstrong; I'm not sure.

Can we recess for a moment, Madam Chair, in order to provide that clarification?

The Acting Chair (M^{me} France Gélinas): Is it the wish of the committee that we take a recess?

Ms. Eleanor McMahon: I'm happy to do that if you like.

Mrs. Gila Martow: Or could we pass over this and when you have to go for your break or take a break later—or do we want to have a break now?

Ms. Eleanor McMahon: Let's just recess now if we're going to recess—at your discretion, Madam Chair.

The Acting Chair (M^{me} France Gélinas): If the committee agrees, how long of a recess would you like?

Ms. Eleanor McMahon: Five minutes.

The Acting Chair (M^{me} France Gélinas): Five-minute recess. See you in five minutes.

The committee recessed from 1505 to 1510.

The Acting Chair (M^{me} France Gélinas): Everybody's ready? Before the break, we had had a question asked by Ms. Armstrong, and Ms. McMahon thought that she may have an answer.

Ms. Eleanor McMahon: Yes. My understanding is that it will be a permanent public record on the website and in perpetuity. Thank you for the question.

The Acting Chair (M^{me} France Gélinas): Any more questions or comments on the government amendment to section 27(11) and (12)? Seeing none, are we ready for the vote on the amendment? All those in favour of the amendment? All those opposed? I declare the amendment carried.

I am now looking at section 27, as amended. Any further questions or comments on section 27, as amended? Seeing none, are we ready for the vote? All those in favour of section 27, as amended? All those opposed? I declare section 27, as amended, carried.

I'm now looking at section 28. We have a PC amendment to clause 28(1)(a).

Mrs. Gila Martow: I move that clause 28(1)(a) of the bill be struck out and the following substituted:

“(a) a person has failed to comply with,

“(i) any provision of this act or the regulations,

“(ii) any order made by an inspector or the minister under this act; or

“(iii) any term of an agreement entered into under subsection 27(6); and”

The Acting Chair (M^{me} France Gélinas): Unfortunately, I will have to interrupt here. I rule this amendment is out of order because it is dependent on motion number 27, which was defeated.

Mrs. Gila Martow: You're correct. Thank you.

The Acting Chair (M^{me} France Gélinas): No worries.

Mrs. Gila Martow: You know what? The next one, as well, has to be withdrawn.

The Acting Chair (M^{me} France Gélinas): We will deal with section 28. Any more questions or comments on section 28? Seeing none, are we ready to vote on section 28? All those in favour of section 28? All those opposed? I declare section 28 carried.

I am now looking at section 29. We have a PC amendment to subsection 29(1). Is this the one you wanted to withdraw, Mrs. Martow?

Mrs. Gila Martow: Yes. That's correct.

The Acting Chair (M^{me} France Gélinas): Withdrawn.

I'm now looking at PC amendment to subsection 29(1), which is also amendment number 36. Mrs. Martow?

Mrs. Gila Martow: I move that subsection 29(1) of the bill be struck out and the following substituted:

"Compensation

"29(1) Subject to subsection (5) and the regulations, the minister shall authorize compensation to be paid to a person for,

"(a) the loss of any building, structure, conveyance or property owned by the person that is taken or destroyed as a result of actions carried out under section 27 or 28;

"(a.1) the loss of use, enjoyment or value of any building, structure, conveyance or property owned by the person that,

"(i) is taken or destroyed as a result of actions carried out under section 27 or 28, or

"(ii) is the result of actions carried out under section 27 or 28;

"(b) in the case of actions that are carried out by a person as a result of an order under subsection 27(6), any costs that are associated directly with carrying out the actions specified in the order;

"(c) any prescribed losses or costs that result directly from actions carried out under section 27; and

"(d) if losses or costs are incurred by a person as a direct result of actions carried out under section 28, other than by a person described in clause 28(1)(a) whose failure to comply with a provision or order under this act was the reason for carrying out the actions, any such losses or costs that are prescribed by regulation."

I think—if I can comment?

The Acting Chair (M^{me} France Gélinas): Go ahead.

Mrs. Gila Martow: I think that it's pretty self-explanatory. Usually, when there are invasive species, it's not necessarily the person who owns the land that brought those invasive species onto their land. This could be rather expensive in nature for people to have to deal with on their own.

The Acting Chair (M^{me} France Gélinas): Any further questions or comments for the amendment to subsection 29(1)? Yes, Ms. McMahon.

Ms. Eleanor McMahon: While we appreciate the spirit with which the amendment was tabled, Madam Chair, our concern is about the possibility for extensive and unknown financial liability for the government here. This has implications that we're very concerned about, so we won't be supporting this motion.

The Acting Chair (M^{me} France Gélinas): Mr. MacLaren.

Mr. Jack MacLaren: We should extend the same concern to private citizens and private property owners as well.

The Acting Chair (M^{me} France Gélinas): Further questions and comments? Mrs. McGarry.

Mrs. Kathryn McGarry: I appreciate the implications that would happen there. Although I do appreciate the desire to remunerate people for losses or damages to their property, such compensation should be provided in a very reasonable way that is reasonable for the government as well. To insist on the word "shall," where the government has to or shall compensate the individual—there may be times where compensation is really not reasonable or not really required. This gives the minister some flexibility on when compensation may be needed and other times when compensation really isn't needed.

The Acting Chair (M^{me} France Gélinas): Further comment? Yes, Mrs. Martow.

Mrs. Gila Martow: I'm reminded that my colleague, the member from Caledon, Sylvia Jones, put forward a private member's bill about trespassing, because she says that in the country it's a little different than for most of us city folk. People see a beautiful spot to have a family picnic and they decide to put out a picnic blanket, have the picnic and it's private property. When people are trespassing, that's when they could be bringing an invasive species onto that property.

Maybe something that has to be addressed in this bill is that we have to have stricter policies about trespassing, as well as better public awareness and education—as I've said before—about trespassing, because that's an added concern now for these property owners. They say that people trespass and damage structures, the ground and the plants that are there. But here's another problem: They could be bringing an invasive species onto that property.

The Acting Chair (M^{me} France Gélinas): Further questions or comments on the amendment? Yes, Mrs. McGarry.

Mrs. Kathryn McGarry: I might just follow up again. I understand that in the spirit of looking at the Invasive Species Act, should it be enacted, I know that the compensation provisions in the bill were developed in discussions with the Ministry of Finance, and it respects a scope of compensation that the government considers responsible. I would be nervous about unknown financial liability in a future situation. I think this is a compromise.

The Acting Chair (M^{me} France Gélinas): Yes, Mrs. Martow.

Mrs. Gila Martow: If it's too expensive for the government, then you can certainly see why it would be much too expensive for a private land owner.

The Acting Chair (M^{me} France Gélinas): Any more questions and comments? Seeing none, are we ready for the vote on the amendment to subsection 29(1)? All those in favour of the amendment? All those opposed? I declare the amendment lost.

I'm in section 29. I have a PC motion for an amendment to subsection 29(3).

Mrs. Gila Martow: I move that subsection 29(3) of the bill be struck out and the following substituted:

“Amount of compensation

“(3) The amount of any compensation paid under this section shall be determined in accordance with the regulations, subject to the following:

“(a) the determination under the regulations may not result in establishing a maximum amount for the compensation; and

“(b) the regulations may not establish a maximum amount for the compensation.”

If I can just comment on that, I think that we have new bills coming all the time, and even though I've only been here for a short while, each of these things costs money to implement. If we enact legislation that leaves us open to multiple lawsuits, that can be very expensive for the taxpayers. Sometimes it ends up being cheaper for the taxpayers if we just have a set type of compensation scheme of some kind as opposed to having multiple lawsuits.

1520

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment to subsection 29(3)? Seeing none, are we ready for the vote? All those in favour of the amendment to subsection 29(3)? All those opposed? I declare the motion lost.

We now have a motion from the PCs for an amendment to subsection 29(5).

Mrs. Gila Martow: I think I will withdraw since this was contingent on passing our motions 27 and 35.

The Acting Chair (M^{me} France Gélinas): All right.

Mrs. Gila Martow: If I may, also under section 29, the next two motions—the same. So let's say we withdraw all three of those.

The Acting Chair (M^{me} France Gélinas): Okay. Seeing that we have no more, and there hasn't been any amendment to section 29—

Interjection.

The Acting Chair (M^{me} France Gélinas): My very capable colleague will call for the vote.

The Acting Chair (Mr. John Vanthof): So I take it we are ready for the vote on section 29? All those in favour? Opposed? I believe it's carried.

I believe we have a PC amendment for section 30.

Mrs. Gila Martow: I'm going to move that we withdraw because that was contingent on motion 27 passing, which it did not.

The Acting Chair (Mr. John Vanthof): Thank you. So without amendments, are we ready for the vote on section 30? All those in favour? Opposed? Section 30 passes. Carried.

So now we move to section 31. There are no amendments, so we'll proceed directly to the vote. All those in favour? Opposed? Carried.

A PC motion for section 32(2): Madame Martow.

Mrs. Gila Martow: I move that subsection 32(2) of the bill be struck out.

If I may comment?

The Acting Chair (Mr. John Vanthof): Of course.

Mrs. Gila Martow: Again, we can certainly see that the RCMP—even if they think that somebody is harbouring an international criminal on their property, they have to receive a warrant. It seems very heavy-handed to have inspectors just walking onto people's property, and I'm very concerned about—people in the country have dogs that are guarding property; all kinds of problems can ensue. I think that the property owner should have to be notified somehow before somebody is entering their property, at the minimum, and making some kind of appointment or having some kind of agreement would be ideal.

The Acting Chair (Mr. John Vanthof): Thank you. Any further comments? Ms.—how do I pronounce your name?

Ms. Eleanor McMahon: McMahon.

The Acting Chair (Mr. John Vanthof): McMahon.

Ms. Eleanor McMahon: Thank you, Mr. Chair. Again, appreciating the spirit of those comments, I think it's important, where timeliness is an issue, that we give our folks who are doing enforcement the tools, the ability to, in extenuating circumstances—and I think that's really important in underscoring this amendment, that it's done in the spirit of extenuating circumstances. It is not one of lawlessness or willy-nilly or inappropriate searches. It's one where we need to give our folks the tools that they need to act quickly, to preserve evidence, and to do so in that spirit.

Like police officers who have to enter scenes quickly, they're going to be held to a standard of behaviour, because nothing will hold up in court if officers act inappropriately. That's certainly the case in the policing environment.

So again, the spirit here is speed and the ability to act quickly. It is not something that we do lightly and it's not something that we know and feel will be used very often, but nonetheless, it needs to be there.

The Acting Chair (Mr. John Vanthof): Further comments? Mr. MacLaren.

Mr. Jack MacLaren: Nowhere in here does it say “extenuating circumstances” or “special circumstances” or the need to move quickly.

Police can go in, under extreme situations, where if they don't go in, some suffering or hurt will happen, but this leaves the window and the door wide open to abuse, in my mind, because it shows absolutely no regard for the sanctity of private property or private property rights, and that is absolutely unacceptable in any democracy in any Western nation. Historically, that is the case.

We have other bills that we've passed here which give people warrantless entry—agents, enforcers for different ministries—and they are abused on a regular basis. So we

need to stop this process of going onto people's private property with government agents with little or no respect for private property, and this is a good place to do what's right.

The Acting Chair (Mr. John Vanthof): Mrs. McGarry—Miss McGarry. Ms. McGarry.

Mrs. Kathryn McGarry: That's okay. I'll answer to anything like that.

Thank you, Chair. Through you, again, I understand the concern that the member opposite is expressing, and I really want to reiterate the comments of MPP McMahon that it's really going to be used when the threat of evidence being destroyed is there. It is not going to provide broad authority for the officers to enter property, but it's going to be utilized in extenuating circumstances to be able to enter to ensure that the invasive species threat is not going to compromise our province.

It's a common cause in modern legislation to ensure that evidence isn't lost or destroyed as a result of the time required to obtain a warrant. It will be used in extenuating circumstances; it's not something that is going to see officers all over the province just enter property without just cause.

The Acting Chair (Mr. John Vanthof): Madame Martow?

Mrs. Gila Martow: I'll make a couple of points. One is, I'm trying to picture evidence being destroyed. We're talking about invasive species here, not puppy mills or animals that are being destroyed. If the plants were being destroyed, I'm trying to imagine how that is so terrible, that we're concerned with an invasive species on somebody's property only to come in and find out that they got rid of it.

In terms of enforcement, I could see it would be very easy for other branches of the government or other business people who have connections to these inspectors to use this as an excuse to get onto somebody's property to look for something else. Just like now we're hearing with racial profiling, the public doesn't have a big stomach for sort of fishing, as it were, for evidence. They want to hear that the government has reasonable assumptions to consider that a crime is being committed. They don't want these kinds of situations where somebody's coming onto private property under the guise of looking for invasive species but, really, they are there to collect evidence for something else.

I think, again, we're chipping away—I'm not normally waving the flag for people who talk about civil liberties being chipped away, but I certainly understand where they're coming from with something like this. I think people want quick action if they think somebody's life is in danger. Other than that, I don't know that people want to give up property rights for plants, if the public really has a big stomach for that.

1530

The Acting Chair (Mr. John Vanthof): Thank you. Further comments? Seeing none, could we have the vote on amendment 42 for subsection 32(2) of the bill? All those in favour? Opposed? It's defeated.

Amendment 43, a PC motion.

Mrs. Gila Martow: I'm going to move to withdraw the next two motions because they're from section 32 and they both require the passage of the previous motion that did not pass.

The Acting Chair (Mr. John Vanthof): Thank you. I believe we're now—oh, Ms. McMahon.

Ms. Eleanor McMahon: Mr. Chair, if I may make a suggestion?

The Acting Chair (Mr. John Vanthof): Sure.

Ms. Eleanor McMahon: Seeing that the following sections 32, 33, 34, 35, 36, 37, 38 and 39 are not amended, would it be possible for us to vote on them together, with your permission?

Mrs. Gila Martow: First, we have to vote on 32, right?

The Acting Chair (Mr. John Vanthof): Let's vote on 32 first.

Ms. Eleanor McMahon: Right, fine.

The Acting Chair (Mr. John Vanthof): We'll vote on 32. All those in favour of section 32? Opposed? It's carried.

Mrs. Gila Martow: So sections 33 to 39—

The Acting Chair (Mr. John Vanthof): Anyone have an objection to that?

Mr. Jack MacLaren: One minute to go over it.

Mrs. Gila Martow: If I could make a suggestion. Since I'm going to be withdrawing motion number 45 from section 40(1), we could really do sections 33 to 48—actually, to 49, because I will be withdrawing 49 as well. So 33 to 49; maybe you want to take a short recess while Mr. MacLaren looks it over.

The Acting Chair (Mr. John Vanthof): Did you request a recess?

Mrs. Gila Martow: I'm just saying—he wants a minute to look it over.

Mr. Jack MacLaren: You're asking us to vote on a whole bunch of stuff here.

Mrs. Gila Martow: So two minutes?

The Acting Chair (Mr. John Vanthof): Does the committee agree to a two-minute recess? Thank you.

The committee recessed from 1533 to 1536.

The Acting Chair (Mr. John Vanthof): Okay. We're back in session. There was a proposal to go from section 33 to section 50 in one group. Any comments?

Mrs. Gila Martow: Yes, I have some comments. It's not just a question of coming onto property and, I guess, being allowed to take photographic evidence or samples of plants; apparently, inspectors will be able to seize private property without a warrant.

What it's looking more and more like is these can't be just ordinary people who maybe went to Ryerson and have a degree in some kind of studies that would train them to recognize an invasive species from a non-invasive species; these are going to have to be officers of the law. To send private citizens who are government employees without some kind of legal training to go onto private property, to seize private property or to take photographs on private property—I can't imagine what people think is going to occur. I think that all of us in this Parliament are going to have egg on our faces when

things happen the way we know things happen when somebody enters somebody's private property without an invitation.

The Acting Chair (Mr. John Vanthof): Thank you. Just a clarification, Mrs. Martow: We'd just like to clarify that you are withdrawing number 46.

Mrs. Gila Martow: Oh, yes.

The Acting Chair (Mr. John Vanthof): Okay.

Mrs. Gila Martow: Motion 46 is withdrawn, which is section 49(1). The motion is withdrawn because motions 27 and 30 did not carry, just to be clear.

The Acting Chair (Mr. John Vanthof): Once again, is the committee okay to do this section?

Mrs. Gila Martow: I think we all agreed to do it all together.

The Acting Chair (Mr. John Vanthof): Just to be clear: It's section 33 up to and including section 50. Are we ready for a vote? All those in favour? Opposed? Carried.

Subsection 51: We have government motion number 47. Ms. McMahon.

Ms. Eleanor McMahon: I move that subsection 51(2) of the bill be amended by striking out "for purposes of this act, including" in the portion before clause (a).

The Acting Chair (Mr. John Vanthof): Any comment? Seeing none, we vote on the amendment motion. All those in favour? Opposed? Carried.

Number 48: another government motion. Ms. McMahon.

Ms. Eleanor McMahon: I move that subsection 51(3) of the bill be amended by striking out "or" at the end of clause (a) and by adding the following clause:

"(a.1) publication in a newspaper of general circulation in the area to which the notice applies or in a publication directed at the segment of the population most likely to be directly affected; or"

The Acting Chair (Mr. John Vanthof): Any comments? Madame Martow.

Mrs. Gila Martow: I think it's a great idea to publicize in local newspapers. Unfortunately, a lot of local newspapers are shutting down, especially the print versions, and maybe more can be done with community centres and—not to have separate mailings, but many municipalities have regular publications that publish a couple of times a year and maybe we can have a section in there on invasive species that we could do more to publicize—or online, that sort of thing.

The Acting Chair (Mr. John Vanthof): Any further comment? Seeing none, I believe we're ready to vote on the amendment. All those in favour? Opposed? Carried.

Motion number 49.

Ms. Eleanor McMahon: I move that subsection 51(4) of the bill be amended by striking out "to any person or entity that is involved in the control, removal or eradication of invasive species under this act" at the end and substituting "to any person or entity that is engaged by or acting in co-operation with the province with respect to the control, removal or eradication of invasive species under this act."

The Acting Chair (Mr. John Vanthof): Further comment?

Mrs. Gila Martow: While I spoke so favourably, on the one hand, of posting information, I think that we really should get people's permission before we publicize anything that could identify them. It could turn into some kind of public shaming and oft-times be misunderstood, so I think that the best is to create much more public awareness. I see very little about invasive species out there in the news or anywhere. Really, maybe it should be part of our school curriculum and we could just do a lot more and have a little less shaming, which is what this would be, I think, for many people if their personal information was shared without their permission and by entering private property.

The Acting Chair (Mr. John Vanthof): Any further comment? Ms. McMahon.

Ms. Eleanor McMahon: Just in response to those comments, I just wanted to make sure that we put on the record the purpose and the intent of these changes, Mr. Chair.

The Information and Privacy Commissioner's office made some comments with respect to the legislation, and we're making this change to strengthen the protection of personal information, which I know we all regard as really important, and this change limits and better scopes to whom the minister can disclose personal contact information. That is the spirit under which we have tabled this motion, and I just wanted to provide that by way of clarification.

The Acting Chair (Mr. John Vanthof): Further comment? Seeing none, I believe we're ready to vote on subsection 51(4).

Ms. Eleanor McMahon: Could I ask for a recorded vote, Mr. Chair?

The Acting Chair (Mr. John Vanthof): Sure.

Ayes

Anderson, Armstrong, Mangat, McGarry, McMahon, Vernile.

Nays

MacLaren.

The Acting Chair (Mr. John Vanthof): The motion is carried.

I believe now we're ready to vote on section 51, as amended.

Ms. Eleanor McMahon: Could we have a recorded vote?

The Acting Chair (Mr. John Vanthof): Of course.

Ayes

Anderson, Mangat, McGarry, McMahon, Vernile.

Nays

MacLaren.

The Acting Chair (Mr. John Vanthof): Section 51, as amended, is carried.

Mrs. Gila Martow: So now that we've switched from Monsieur Chair to Madame Chair, if I could just say before we vote on section 52, I'd like to withdraw our motion for section 53(1), since motion 27 didn't carry, and move that we vote on sections 52 through to 55 as a group, and maybe have a one-minute or two-minute recess to look it over.

The Acting Chair (M^{me} France Gélinas): Is it the wish of the group that we vote on sections 52, 53, 54 and 55 together? Yes. Okay. Any questions or comments on sections 52, 53, 54 or 55?

Mrs. Gila Martow: One minute to look it over?

Mr. Jack MacLaren: Yes, please.

The Acting Chair (M^{me} France Gélinas): One minute.

Are we ready? Any further questions or comments on sections 52, 53, 54 or 55? Seeing none, are we ready for the vote? All those in favour of sections 52, 53, 54 and 55? All those opposed? I declare sections 52, 53, 54 and 55 carried.

I am now at section 56, looking at government amendment number 51. That's a government amendment to clause 56(b). Mrs. McMahon.

Ms. Eleanor McMahon: I move that clause 56(b) of the bill be struck out and the following substituted:

"(b) prohibiting persons from carrying out an activity described in subsection 8(2) in respect of a restricted invasive species;

"(b.1) exempting persons, species or things or classes of persons, species or things from section 7 or subsection 8(1) and specifying conditions or restrictions that apply with respect to the exemptions;"

The Acting Chair (M^{me} France Gélinas): Any questions or comments on the amendment? Seeing none, are we ready to vote on the amendment to clause 56(b)? Ms. Armstrong?

Ms. Teresa J. Armstrong: I was just going to vote in favour, because I was waiting for you to say "in favour of." Sorry.

The Acting Chair (M^{me} France Gélinas): Are we ready for the vote? All those in favour? All those opposed? The amendment is carried.

We now look at a PC motion to clause 56(g). Mrs. Martow.

Mrs. Gila Martow: I move that clause 56(g) of the bill be struck out and the following substituted:

"(g) governing compensation that shall be authorized by the minister under section 29 including,"—I'm just seeing that really this motion can only be moved if other motions had carried, and they did not carry. So I think I need to withdraw, as I'm looking at it.

The Acting Chair (M^{me} France Gélinas): Not necessarily. You can read it into the record.

Mrs. Gila Martow: Okay. Good idea.

"(i) prescribing, for the purposes of clause 29(1)(c) or (d), losses and costs in respect of which compensation shall be paid, and

"(ii) prescribing the manner of determining the amount of compensation that shall be paid and the circumstances in which the amount of compensation may be reduced;"

So again, this comes down to setting some kind of concrete system so that people know what to expect and to get fair compensation.

The Acting Chair (M^{me} France Gélinas): Are there questions or comments on the amendment to clause 56(g)? No questions or comments? Are we ready to vote? All those in favour of the PC amendment to clause 56(g)? All those opposed? I declare the amendment lost.

I'm now looking at section 56, as amended. Any questions or comments on section 56, as amended? Are we ready to vote? All those in favour of section 56, as amended? All those opposed? I declare section 56, as amended, carried.

We now have sections 57, 58 and 59. Is it the wish of the committee that we take those three sections together?

Interjections: Yes.

The Acting Chair (M^{me} France Gélinas): Are there any questions or comments for sections 57, 58 or 59? No questions, no comments? Are we ready to vote on sections 57, 58 and 59? All those in favour of sections 57, 58 and 59? All those opposed? I declare sections 57, 58 and 59 carried.

Any questions or discussion on the title of the bill? None? Shall we vote? All right.

Shall the title of the bill carry? All those in favour? All those opposed? The title has carried.

We now look at Bill 37, as amended. Any questions or comments on Bill 37?

Mr. Jack MacLaren: Could we go through it one more time?

The Acting Chair (M^{me} France Gélinas): Just for fun? Bits and parts of it, you could convince me. The whole thing? No.

Ms. Daiene Vernile: Dispense.

The Acting Chair (M^{me} France Gélinas): Any more questions or comments on Bill 37? Seeing none, are we ready to vote?

Shall Bill 37 carry, as amended? All those in favour? All those opposed? Bill 37, as amended, is carried.

We're now on the very last vote. Shall I report the bill, as amended, to the House?

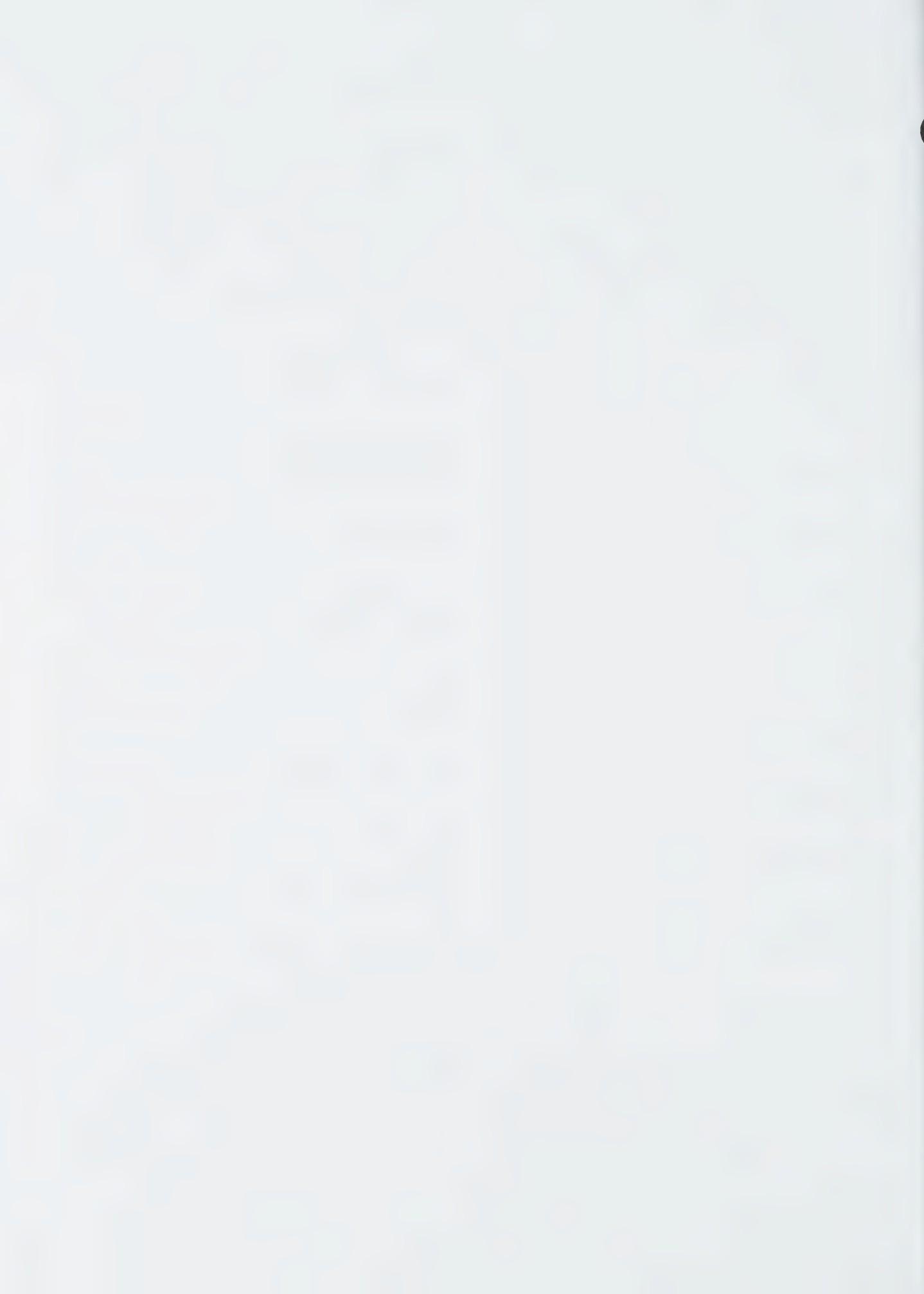
Interjections: Yes.

The Acting Chair (M^{me} France Gélinas): Any opposed? Carried.

I will report the bill, as amended, to the House—probably not I, but a very capable person will.

We made it through. I thank you very much for your effort this afternoon and for your contribution to making Bill 37 as good as possible. The committee stands adjourned.

The committee adjourned at 1554.



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Lundi 26 octobre 2015

Standing Committee on Social Policy

Subcommittee report

Comité permanent de la politique sociale

Rapport du sous-comité



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 26 October 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 26 octobre 2015

The committee met at 1400 in committee room 151.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Good afternoon, honourable members. In the absence of the Chair and Vice-Chair, it is my duty to call upon you to elect an Acting Chair. Are there any nominations? Mr. Hatfield.

Mr. Percy Hatfield: Thank you. I would like to place in nomination the name of the member from Welland, Ms. Forster, to be Acting Chair this afternoon.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Okay. Ms. Forster, do you accept the nomination?

Ms. Cindy Forster: Sure. Yes.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Are there any further nominations? There being no further nominations, I declare the nominations closed and Ms. Forster duly elected Acting Chair of the committee.

SUBCOMMITTEE REPORT

The Acting Chair (Ms. Cindy Forster): Good afternoon. The Standing Committee on Social Policy will now come to order. We are here to consider the report of the subcommittee on committee business relating to Bill 73, An Act to amend the Development Charges Act, 1997 and the Planning Act.

I understand we have a member who will read the report into the record.

Mr. Lou Rinaldi: Well, I could. Sure.

The Acting Chair (Ms. Cindy Forster): Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you, Madam Chair, and congratulations. I'm sure you'll enjoy your post, although it might be short.

Your subcommittee on committee business met on Thursday, October 22, 2015, to consider the method of proceeding on Bill 73, An Act to amend the Development Charges Act, 1997 and the Planning Act, and recommends the following:

(1) That the committee meet in Toronto on Monday, November 2, 2015, and Tuesday, November 3, 2015, during its regular meeting times, for the purpose of holding public hearings.

(2) That the committee Clerk, in consultation with the Chair, post information regarding public hearings on the Legislative Assembly website, the Ontario parliamentary channel and Canada NewsWire.

(3) That the committee Clerk, in consultation with the Chair, place an advertisement regarding public hearings

in one major English-language newspaper and one French-language newspaper for one day during the week of October 26, 2015.

(4) That the committee Clerk, in consultation with the Chair, send the notice of public hearings to the Association of Municipalities of Ontario for circulation to its affiliated organizations.

(5) That interested parties who wish to be considered to make an oral presentation contact the committee Clerk by 12 noon on Wednesday, October 28, 2015.

(6) That if not all requests can be scheduled, the committee Clerk provide the subcommittee members with the list of requests to appear; and that the subcommittee members prioritize and return the list to the committee Clerk by 10 a.m. on Thursday, October 29, 2015.

(7) That the deadline for written submissions be 6 p.m. on Tuesday, November 3, 2015.

(8) That witnesses be offered four minutes for their presentation followed by six minutes for questions divided equally among the three parties.

(9) That proposed amendments to the bill be filed with the committee Clerk by 2 p.m. on Monday, October 9, 2015.

(10) That the research officer provide the committee with a summary of submissions as soon as possible and no later than 4 p.m. on Tuesday, November 12, 2015.

Mr. Percy Hatfield: Thursday.

Mr. Lou Rinaldi: Sorry. Thursday, November 12, 2015.

(11) That the committee meet for clause-by-clause consideration of the bill on Monday, November 16, 2015, and Tuesday, November 17, 2015, during its regular meeting times.

(12) That the committee Clerk, in consultation with the Chair, be authorized prior to the adoption of the subcommittee report to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

That's the subcommittee report, Madam Chair.

The Acting Chair (Ms. Cindy Forster): Thanks, Mr. Rinaldi. Now, under number 9, you said, "Monday, October 9." I'm assuming you meant November?

Mr. Lou Rinaldi: Absolutely. It was November. I knew it was November.

The Acting Chair (Ms. Cindy Forster): Good. Thank you. So is there any discussion, amendments? Yes, Mr. Hardeman?

Mr. Ernie Hardeman: I apologize for being late, but I was spending my time reading the document that we're referring to here, the planning document that's some 35 pages long, and realizing how much there was in it, as I was trying to compare it to the subcommittee report.

I guess the main part that I had some concerns with is that, in fact, we are asking people to come in from all over the province who we want to consult with and hear what they like or dislike or agree or disagree with, on this document. We want them to come here, and then the best we can give them is four minutes.

When this bill was introduced, the minister introduces the bill and has 20 minutes to explain to the public, in broad strokes, what's in the bill. When he gets through with that, each opposition critic gets five minutes to speak to the bill that they haven't even read yet.

Now we're saying that the people who are going to be affected by this bill, who have spent at least the last five or six months that this bill has been out there, languishing in the wading pool for the government to get around to bringing it forward at this committee—we ask these people, who have spent all this time doing all this review—they're going to condense that into four minutes to make a presentation to us. Then each party is going to have two minutes to ask them any questions they may have. So in fact, even at that point, we are going to expect more time for us to speak to this bill than for the people presenting.

I can just see the president of AMO, representing 448 municipalities, I think it is, coming here to express all the concerns that they've heard from their membership in this past five or six months, and they come here and say, "Well, we really appreciate all the work you've done, and all those reports, but just leave us the written report, because we really haven't got time to listen to you."

I think this is just absurd. This bill has been on the docket long enough that it's evidently not the number one priority for the government. There's no reason why an extra week or two would hurt the program of the government, to have these changes put in place. In fact, some of them—I remember when the bill was first introduced, and particularly the part about changing the OMB. I can remember, in my five minutes that I had to speak to the bill, referring to the fact that the minister had, in his mandate letter—the Premier had given him instructions that he was to hold public hearings, and review and change the Ontario Municipal Board.

I said, "Well, it seems kind of strange that you're still doing that review, and here you've got the bill making the changes already."

He said, "That's okay, because the review isn't finished, but as this bill is going through, we can do that review."

All these people—the building industry, the planning industry and the municipalities—are all doing that. They're doing their work. They're reviewing what's here, they're looking at it, and they're going to present to us as we move forward and before we make the amendments and bring it back to the government for third reading. But

this committee is suggesting they don't want to hear from them. Four minutes, to say, "Good morning. How are you? I'm the president, and this is the secretary with me, and there are two more mayors here with me, and they're from here, here and here." The Chair says, "Time's up," and that's all we hear from the average delegation.

I've been here quite a number of years, and I don't think I've ever, ever had public consultation with four minutes for the organizations to make a presentation. It has always been 20 minutes for the general-public individuals. It's usually 25 minutes or half an hour for delegations from AMO or the home builders' association or organizations like that. I just can't imagine that the subcommittee would think that four minutes per presenter is appropriate.

Of course, when you look at that, if we're looking at changing the four minutes—and I can see already that I'm getting some nodding from the government side that they too agree that this is rather ridiculous for four minutes.

1410

Mr. Lou Rinaldi: Who's doing that? He's seeing things, Madam Chair.

Mr. Ernie Hardeman: I just want to say: I think I've already used the time it would take both AMO and the building industry to have made their presentations to this bill, and look how little I've been able to say so far.

I think that's really the important part of it: that we need to give the people an opportunity to speak, and this report does not provide that opportunity. That's why I'm so happy to be able to be here—I wasn't able to be at the subcommittee—on behalf of the stakeholders that I'm critic for and responsible for, to see if we can't be reasonable about it and get some reasonable length of time for people to be heard.

For 34 pages of legislation that everybody, including the minister, when he introduced it, said was very important legislation—it was long time that we did this, and we made it work better. I would think that we, at the very least, deserve to give them a little more time.

I understand that the government might be interested in increasing the time for the individual at the expense of the number of individuals we can hear. That, to me, is a non-starter. To say, "Yes, we will hear more from some people, but there are some more people we're not going to hear from at all," doesn't make any sense at all.

My suggestion is that we need to increase the number of hours that we're going to have committee hearings to hear that. Just maybe, Madam Chair, you can help me with this. If we just go back over the last six weeks of this committee and find out if there's anything collectively, any single item, in that time that you did that had more impact on the people of Ontario than this bill is going to have, I believe you'd be hard-pressed to find that.

I don't know why all of a sudden we think we have to have this one done in two weeks when for others we couldn't even get around to have a subcommittee to tell us to get the meeting going. There have a lot of

committees that haven't been holding hearings at all for some time now because they just can't seem to get the others to agree on which bill they're going to hear and how much time they're going to spend on it.

I just find it unbelievable, I guess is the right word for it, that we would come forward with a subcommittee report that is so limited in public participation. We might better have just had a subcommittee report to refer it back to the House for passing, because it doesn't seem to me like—unless they have in mind one or two amendments or some amendments, since they've read it, that they feel that should be changed; I can't see another reason. The timing of the subcommittee report will not allow them, even with four minutes of input, to have time enough to go through the system to have the amendments come before you for final approval, consideration for which will have included the presentations that we've had from the delegations. I just don't believe that we can move forward with that.

I do have an amendment that I would like to put forward to see if we can maybe start the process of making this a process that is going to serve the public, at least to some extent.

On point one, I would like to add: "Monday, November 16 and, if required, Tuesday, November 17."

The Acting Chair (Ms. Cindy Forster): Do you have these in writing, Mr. Hardeman?

Mr. Ernie Hardeman: I just have one copy here.

The Acting Chair (Ms. Cindy Forster): You'll read it in and then we'll stop and get a copy.

Mr. Ernie Hardeman: Yes. So then the full section would read, "That the committee meet in Toronto on Monday, November 2, 2015, Tuesday, November 3, 2015, Monday, November 16 and, if required, Tuesday, November 17 during its regular meeting times for the purpose of holding public hearings."

The Acting Chair (Ms. Cindy Forster): Is that your entire amendment?

Mr. Ernie Hardeman: That's that amendment, yes.

Mrs. Gila Martow: Number one.

The Acting Chair (Ms. Cindy Forster): Number one. Do you have any more amendments?

Mr. Ernie Hardeman: Yes.

The Acting Chair (Ms. Cindy Forster): Is there any discussion on this amendment? Mr. Rinaldi?

Mr. Lou Rinaldi: Madam Chair, just a bit of clarification in the process, and maybe the Clerk can help us. Mr. Hardeman did a presentation and introduced amendments. Do we respond? I want to clarify some of the issues that he brought forward prior to the amendment. Or do we deal with the amendments first?

The Acting Chair (Ms. Cindy Forster): Now that the amendment is on the floor, we have to speak to the amendment, but certainly, you can address them. It's your time, right? So you can address the amendment as well as whatever else you want, to respond to Mr. Hardeman.

Mr. Lou Rinaldi: He indicates he has got more amendments. Are we going to proceed with all the amendments first, or one at a time?

Mr. Ernie Hardeman: One at a time.

Mr. Lou Rinaldi: I'm just curious. Is that the case?

The Acting Chair (Ms. Cindy Forster): One at a time is what—

Mr. Ernie Hardeman: You can't put more than one amendment on the floor at the same time.

Mr. Lou Rinaldi: Okay. I wasn't aware of that.

The Acting Chair (Ms. Cindy Forster): The Clerk is getting us copies of the amendment now. Mr. Hatfield was next on the list, and then I'll move to you.

Mr. Lou Rinaldi: Thank you.

The Chair (Ms. Cindy Forster): Mr. Hatfield?

Mr. Percy Hatfield: Thank you, Madam Chair. I think the member from Oxford has made some very good points.

Let me correct one thing he did say, though: There are 444 municipalities represented by AMO. I think you said 448.

Mr. Ernie Hardeman: I was trying to embellish it a little.

Mr. Percy Hatfield: Yes. That's okay.

I would like, before we proceed too far—although it may be not in the technical sense of how we have to do our business—if the member from Oxford could give us an understanding of the other amendments.

Madam Chair, the way I see it, we're being asked to vote on extending the days. I'm just speculating that one of the amendments will be more time for the delegations to make a presentation, which perhaps should have been the first amendment. If you decide to increase the days but you decide not to increase their time, or you decide not to increase the days but you vote to increase their time, I see one as not complementing the other.

So if we can get from Mr. Hardeman, perhaps, an idea of where he's going with this, because although we have to deal with amendments one by one, if we don't know what the other ones are, it's going to have an impact on how we vote on the first one.

The Acting Chair (Ms. Cindy Forster): Mr. Hardeman, could you maybe share that with the committee?

Mr. Ernie Hardeman: Yes. I can assure you that the intent of the first resolution is to have more time to have hearings, and at the same time, we would then be able to have more time per delegation.

The challenge in doing it the other way, as was suggested there, is the fact that if we had the time one first and increased it to 20 minutes, and then this one failed, then in fact, we would hear from only half or a third of the people that were wanting to speak here. Hearing more from fewer people is not the intent of this. We wanted to do it such that the number one issue is how long the committee will sit to hear. That's why that's the first one on the list.

Mr. Percy Hatfield: Are there only two amendments?

Mr. Ernie Hardeman: No, there are a couple of others, but most of them lead to the same purpose as what we're talking about here: to get the timing right, so it fits in. When you add two days, all the other dates have to be somewhat moved in the subcommittee report.

Mr. Percy Hatfield: I'm still not satisfied that we can vote on one, not knowing what the other ones are, as opposed to knowing what they all are and then seeing if they fit as a puzzle or as a package.

Mr. Ernie Hardeman: I have no problem with having the others printed. Hopefully, they were covered on the same page.

The Acting Chair (Ms. Cindy Forster): Maybe we can do that while Mr. Rinaldi is speaking to the amendment. We can have the other ones printed, so we can at least have a look at them.

Mr. Lou Rinaldi: I'm in the same process as Mr. Hatfield. I mean, either we have an open agenda, or we deal with it piecemeal. Anyway, I will speak to some of the member's—and his amendment.

I'm not going to segregate it into little pieces. I'll just speak in general about what we're trying to do here.

We've had second reading debate. There has been a number, whether it's municipal leaders—a lot of them are municipal leaders—speak to the minister that we've heard from on the composition of the bill. There has been an enormous amount of discussion with AMO on this particular bill. They're aware, so it's not something new that they're just going to get two minutes to look at. As a matter of fact, they have been sending stuff to the ministry on an ongoing basis.

I think the member has suggested that, you know, it's four minutes, and we get a lot more submissions but not as substantive.

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Like I say, as PA, I can verify that we've heard from a number of people. The other piece is, people have the opportunity to give us—because even if they have 10 minutes, I'm not sure they can capture, in many cases, all of what they want to talk to us about. In many cases, they follow up by written submission or they leave a document with us here, for all of us to look at and assess.

The member specifically pointed out that he has never heard of this before. Well, I would hope that the member remembers, when he was in power, in many cases there were no consultations. So there were no—

Mr. Ernie Hardeman: Come on, Lou.

Mr. Lou Rinaldi: Ernie, you know it—

Mr. Ernie Hardeman: Stick to the facts.

Mr. Vic Dhillon: Ernie, you forgot.

Mr. Lou Rinaldi: He forgot.

The Acting Chair (Ms. Cindy Forster): Order. Mr. Rinaldi has the floor.

Mr. Lou Rinaldi: All I'm saying is, it's kind of: "You know, it was okay then but it's not okay now." But I don't want to use that as a reason, Madam Chair. I just pointed that out because he did point it out to this side, to the government side.

I think the subcommittee worked on this. They came up with these dates. We'll try to accommodate as many people as we can.

The other piece is, I think the subcommittee—correct me if I'm wrong here—will have the opportunity not necessarily to bring in submissions in the order that they submit, but also have an opportunity to choose who they want to be here. All the parties have the choice to do that.

I think we're addressing all those points. I think it's important, frankly, that we get as many people here as we can. I can almost guarantee, in all the committees that I've sat on in the eight years that I was here prior, that in the majority of the cases, they leave us a substantial amount of documentation to back up their case.

The other piece is, the ministry has already had a number of inputs from the building industry, from municipalities and other interested folks, since the bill was introduced. We debated it in the House at second reading, so there has been a lot of exposure.

Madam Chair, I will suggest that we carry on with the report from the subcommittee, and let's get this done.

The Acting Chair (Ms. Cindy Forster): Mr. Hatfield.

Mr. Percy Hatfield: Can I ask a question on this? In previous hearings of this nature, what was the time limit? Is there an average? Mr. Hardeman has suggested 20 minutes; other ones I've been at were five. How do you decide on four minutes, five, 10, 20 or whatever?

The Acting Chair (Ms. Cindy Forster): Are you asking specifically on Planning Act issues, or any issues?

Mr. Percy Hatfield: I was asking too broadly, I guess, but on Planning Act issues.

Mr. Lou Rinaldi: Committees.

Mr. Percy Hatfield: Committees, yes.

The Acting Chair (Ms. Cindy Forster): It's totally up to the committee, unless the House prescribes something beyond that.

Mr. Percy Hatfield: All right. But is there an experience of record that says, in previous discussions of a similar nature, the committee chose 10 minutes or they chose 20? Has anyone been limited to four?

The Acting Chair (Ms. Cindy Forster): We don't have that information here, but we can certainly provide it.

Mr. Percy Hatfield: I think that would be good to have. I'm a new member. I haven't been in on the decision-making process of this type. I was on the subcommittee and went along with the four minutes. I think Mr. Hardeman, from Oxford, has raised some very good points. I just don't have the background on which to base whether four minutes is enough, and I would feel more comfortable had I that information in front of me.

The Acting Chair (Ms. Cindy Forster): Mr. Rinaldi.

Mr. Lou Rinaldi: If I can, very briefly—from my experience of eight years—I was here before—the times are all over the place: five minutes, 10 minutes, 15 minutes. I think Mr. Hardeman can attest to that as well.

Mr. Ernie Hardeman: If I could, Madam Chair?

The Acting Chair (Ms. Cindy Forster): Mr. Hardeman?

Mr. Ernie Hardeman: Until the last six months or a year, I had never heard of anything with five or four minutes at committee hearings in presentations in all that time that I was here before then. The debate at sub-committees was always whether it should be 15 minutes or 20 minutes, not four and five minutes. That's just a recent thing.

I would just point out that, in fairness, I don't believe—and I've been involved with municipal affairs in quite a few of those years that I've been here. Without checking back, I think it's fair to say that I don't know of a single time where we passed a significant municipal affairs bill dealing with planning or the Ontario Municipal Board that had just two days of hearings—not two full days of hearings, but two days of hearings while the House is sitting, which is, in this case, just six hours of hearings in total. Even with this government—the Liberals—when we were doing planning bills, they generally went out to the public and travelled. You only do that when the House isn't sitting. They were all-day in different parts of the province, so the people could participate in those things that were going to affect them so much.

I just wanted to also question: The parliamentary assistant mentioned that they have been consulting and they have heard from a lot of people on the bill, between second reading and it finally getting to committee. I guess I would ask him to point out where the committee fits in there, because if he did consult with all those people, what they told him and what they said is only with him. Why are we then sitting here and discussing clause-by-clause amongst this committee, if we never got to hear any of the evidence? That's why I think it is important to have the people able to come here and give the evidence, so that all of the committee can participate and decide what's the best thing to do to get the best possible legislation for the people of the province, not just based on what one side of House heard during their term for consultation.

Mr. Lou Rinaldi: Madam Chair?

The Acting Chair (Ms. Cindy Forster): Mr. Rinaldi.

Mr. Lou Rinaldi: Just for clarification: As you know, once a piece of legislation is even intended to be proposed somewhere down the road, or once it's introduced, you'll get stakeholders or people or individuals writing to the ministry about that particular piece. We didn't go out and, like you said, have public hearings; no, we didn't. I just want to make sure that it was just information supplied to the minister, because they have an interest. That's something that happens quite often.

The Acting Chair (Ms. Cindy Forster): Mr. Hardeman.

Mr. Ernie Hardeman: I'm not casting aspersions. I understood that that's what you meant: that, in fact, the ministry had been gathering information from individual people, not that you were holding public hearings. All I'm saying is, of the information that you've said you've

gathered, that we've had enough debate about this. If that information is going to have any impact on this committee's decisions on what we need to change to make this a good bill, it has to be shared by all the people on the committee. That hasn't been done, and that's why I think that we need more time to hear from people: so we can collectively make the best bill possible for the people of Ontario.

The Acting Chair (Ms. Cindy Forster): Mr. Hatfield.

Mr. Percy Hatfield: I'm wondering whether the mover of the amendment would—call it a friendly or a sub-amendment to the amendment, just a minor tweaking of the words: "That the committee meet in Toronto on Monday, November 2, 2015, and Tuesday, November 3, 2015, and, if required, based on the number of people who have initiated an interest in speaking, that we also meet on November 16 and, if required, November 17." That way, if there is no interest expressed, there is no reason to meet.

Mr. Ernie Hardeman: Madam Chair, I would—

The Acting Chair (Ms. Cindy Forster): So are you moving—

Mr. Ernie Hardeman: It's not part of the amendment.

The Acting Chair (Ms. Cindy Forster): No, it's not part of the amendment.

Mr. Ernie Hardeman: I would just point out that the only amendment that I'm making on that first one is where it's "Monday, November 16, 2015, and, if required, Tuesday"—and that's just added to it.

The Acting Chair (Ms. Cindy Forster): Mr. Hatfield, you can amend the amendment with a sub-amendment. There's no friendly amendment. Then we would have to discuss and vote on the sub-amendment.

Mr. Percy Hatfield: Yes. I really don't want to complicate matters, but I think that I can sense some opposition to the original amendment. I'm trying to find out if, perhaps, there is a compromise to say that, if required—and you know why they're required, based on the number of submissions that have come in—we would continue those hearings after constituency week.

The Acting Chair (Ms. Cindy Forster): So you're not moving that?

Mr. Percy Hatfield: I will move the amendment, yes.

The Acting Chair (Ms. Cindy Forster): You'll move a sub-amendment?

Mr. Percy Hatfield: Yes, the sub-amendment.

The Acting Chair (Ms. Cindy Forster): Could you actually write that out for us, Mr. Hatfield?

So we'll take a five-minute recess at this point until the sub-amendment is written out. We'll copy it and then we'll be back at 2:36.

The committee recessed from 1430 to 1444.

The Acting Chair (Ms. Cindy Forster): All right. I'll call the committee back to order.

Mr. Hatfield?

Mr. Percy Hatfield: Thank you, Madam Chair. I would like to inform the committee that after some

deliberation, I have decided to withdraw my sub-amendment to Mr. Hardeman's amendment.

The Acting Chair (Ms. Cindy Forster): Thank you, Mr. Hatfield. So we're back to the amendment. Any further discussion on the amendment? Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much, Madam Chair. There were some questions about previous deliberations on planning bills, and I mentioned that there had been a number—I couldn't remember one where they were less than 15 or 20 minutes. I haven't got the full report yet from all of them, but I did pass out a paper that on Bill 51 in 2006, in fact, it was this government that did that. It was a review of the Planning Act and the delegations were three days and 20 minutes per delegation. I think that's an example. It was the same government that did it, and that seemed to be the appropriate length of time to have it.

I just wanted to read it for the committee, and for the record. It was the Chair:

"We're at the public hearing portion of our meeting. I'd like to welcome our witnesses and tell them that they have 20 minutes to make their presentation.

"Our first delegation this morning is the Ontario Catholic school" teachers' "association and the Ontario Public School Boards' Association. Could you come forward?"

The reason I read that—and I think it's so important—we talked about just the stakeholders that are directly affected by the planning process in the province. But schoolteachers, at that point—both the Catholic and the public school teachers' associations—decided that the Planning Act was important to them too. The parliamentary assistant seems to want to insist that everybody who has an interest in it has talked to the minister or has informed the government what they would like in this legislation, but—

The Acting Chair (Ms. Cindy Forster): Point of order, Mr. Hatfield.

Mr. Percy Hatfield: Yes. I don't want Mr. Hardeman to say anything incorrect, so I'll point out that it's not the "teachers' association," it's the "trustees' association."

The Acting Chair (Ms. Cindy Forster): Thank you, Mr. Hatfield.

Mr. Ernie Hardeman: My apologies. I did read it right; I just said it wrong.

I think it's important to point out that there are a lot of people who are affected by the items that are in this bill. Away from the planning of the province is the judicial part of the province, which is the Ontario Municipal Board. There are a lot, on both sides of the issue—there have been private members' bills in the House by members of the Legislative Assembly that were to abolish the Ontario Municipal Board because they felt so strongly that this wasn't doing the job that it was supposed to do. There are others who believe that the Ontario Municipal Board should have more powers. These are different groups, and these are not groups that have had an opportunity to present to this bill, because when the government was doing their, shall we say, one-on-one with

the population, these were not people who knew yet about the importance of this bill to them. Now we advertise that we're holding these public meetings so these people can come forward and speak to us about this bill, and I don't believe that they can do it in the length of time—in four minutes. It just doesn't make any sense at all. So I really encourage everyone to reconsider it and support this amendment.

I think what's really important about this amendment—and it's the first step in the amendments that I'm proposing; what the right amount of time is in a different amendment. I think my largest concern is having the government agree to, "Well, yes, we'll extend the time for each delegation," but if we don't increase the number of days that we can hold meetings, then in fact with the extra time we've got, we just heard, we can just give a little bit more to some of the people but we're going to hear from fewer people. Again, I think this, in 2006, points out that there are an awful lot of people yet that we haven't heard from who will have an interest in this bill.

So with that, I would hope that we can get support for this motion.

The Acting Chair (Ms. Cindy Forster): Any further discussion?

Mr. Ernie Hardeman: I would call for a 20-minute recess.

The Acting Chair (Ms. Cindy Forster): Any further discussion? Then I was going to call for the vote after that discussion.

Mr. Lou Rinaldi: So we're breaking for 20 minutes?

The Acting Chair (Ms. Cindy Forster): Well, then the member has the right to call for a 20-minute recess, under the rules, just before we vote. So if you have any further debate, you need to do it now.

Mr. Lou Rinaldi: No.

The Acting Chair (Ms. Cindy Forster): Okay. A 20-minute recess.

The committee recessed from 1449 to 1509.

The Acting Chair (Ms. Cindy Forster): I call the meeting back to order.

Mr. Lou Rinaldi: Chair?

The Acting Chair (Ms. Cindy Forster): Mr. Rinaldi.

Mr. Ernie Hardeman: I ask for the vote.

The Acting Chair (Ms. Cindy Forster): We have to vote first.

Interjection: We have to vote first?

The Acting Chair (Ms. Cindy Forster): Yes. There's no further debate.

The vote is on the amendment that the committee meet in Toronto on Monday, November 2, 2015; Tuesday, November 3, 2015; Monday, November 16; and, if required, Tuesday, November 17, during its regular meeting times, for the purpose of holding public hearings.

All those in favour? Opposed?

Interjections.

The Acting Chair (Ms. Cindy Forster): You wanted a recorded vote, did you?

Mr. Ernie Hardeman: Yes.

The Acting Chair (Ms. Cindy Forster): Okay.

Ayes

Hardeman, Hatfield, Martow.

Nays

Anderson, Dhillon, Mangat, Rinaldi, Thibeault.

The Chair (Ms. Cindy Forster): The amendment is lost.

Mr. Lou Rinaldi: Chair.

The Chair (Ms. Cindy Forster): Mr. Rinaldi?

Mr. Lou Rinaldi: I wonder if I could indulge you to about a two or three-minute break, if we have agreement.

The Chair (Ms. Cindy Forster): Does the committee agree?

Mr. Percy Hatfield: Take five.

The Chair (Ms. Cindy Forster): Take five. Five minutes.

The committee recessed from 1510 to 1516.

The Acting Chair (Ms. Cindy Forster): The meeting is called back to order. The debate on the report is now back on. Mr. Hardeman, are you going—

Mr. Ernie Hardeman: No, go ahead.

The Acting Chair (Ms. Cindy Forster): Mr. Rinaldi.

Mr. Lou Rinaldi: Madam Chair, I don't quite have it written down here, but we will have it written down. My recommendation is—this is in general; I know the member opposite will correct me if I'm wrong—that, first of all, we're going to add an extra day—I know we need an order from the House—which will be the 9th of November. I know it's constit week, so we'll have to get the House to approve that, but the intent is for between 2 to 6 on the 9th. The time allowed for each delegation is 15 minutes. That's total. If there is any time left over for questions, it's got to be within those 15 minutes.

Are you okay with that? I just got it to two minutes, but are you okay with that?

Mr. Ernie Hardeman: Before the vote on it, we have to have it written.

The Acting Chair (Ms. Cindy Forster): Yes. First, we'll need to recess for a few minutes for you to write that amendment.

Mr. Lou Rinaldi: Yes. They're doing that right now.

The Acting Chair (Ms. Cindy Forster): Okay, but having said that, we can't even pass the amendment until we have the House approval, under the standing orders.

Mr. Lou Rinaldi: Okay.

The Acting Chair (Ms. Cindy Forster): We'll have to have a gentlemen's agreement of sorts that—

Interjection.

The Acting Chair (Ms. Cindy Forster): But we can pass the times.

Mr. Lou Rinaldi: We can pass the times; right?

The Acting Chair (Ms. Cindy Forster): Yes.

Mr. Lou Rinaldi: And not the day?

The Acting Chair (Ms. Cindy Forster): Not the date, because it's during constit week.

Mr. Lou Rinaldi: Could it be “subject to House approval”?

The Acting Chair (Ms. Cindy Forster): I think we'll recess while that amendment gets written, for five minutes, and then we'll see how we can sort out the rest.

The committee recessed from 1519 to 1540.

The Acting Chair (Ms. Cindy Forster): I call the meeting back to order. Mr. Rinaldi?

Mr. Lou Rinaldi: Yes. Thank you, Chair. I move an amendment to the subcommittee report. I think everybody has a copy.

I move that item number 8 be struck out and replaced with, “That witnesses be offered 15 minutes for their presentation and if not all the time is used, the remainder of the time be divided equally among the three parties for questions; and

Item number 9 be amended by striking out “2 p.m. on Monday, November 9, 2015” and replaced with “10 a.m. on Thursday, November 12, 2015”; and

Item (1.1) be added to read, “That the Chair write to the three House leaders and request that a motion be presented to the House authorizing the committee to meet in Toronto from 2 p.m. to 6 p.m. on Monday, November 9, 2015, for the purpose of holding public hearings.”

The Acting Chair (Ms. Cindy Forster): Any debate, Mr. Rinaldi?

Mr. Lou Rinaldi: No. I think it's pretty clear, Madam Chair.

The Acting Chair (Ms. Cindy Forster): Mr. Hardeman?

Mr. Ernie Hardeman: Thank you very much, Madam Chair. I agree with the motion, and I just want to, on the record, make sure that the last item, (1.1), the intent of the committee to hold hearings that day—recognizing that we're asking the House leaders to approve it but that we expect that to happen.

The Acting Chair (Ms. Cindy Forster): Is that an amendment?

Mr. Lou Rinaldi: No.

Mr. Ernie Hardeman: No, it's no amendment. We're all honourable members.

The Acting Chair (Ms. Cindy Forster): We're clear. Okay? Anyone else? Further debate? All right. Are you ready to vote?

Mr. Ernie Hardeman: On the amendment?

Mr. Lou Rinaldi: On the amendment.

The Acting Chair (Ms. Cindy Forster): On the amendment, yes.

All in favour? Opposed, if any? That amendment is carried.

Now we'll go back to the subcommittee report, as amended. Any debate? Mr. Hardeman.

Mr. Ernie Hardeman: Yes, Madam Chair. For the record, I just wanted to put on the record that item number 5 in the report, “That interested parties who wish to be considered to make an oral presentation contact the committee Clerk by 12 noon on Wednesday, October 28”—my understanding is that it will not be in the paper till October 27. I think that's setting an awful short

deadline for accepting applicants. I would just like something to be added in that in fact the Clerk would be authorized to accept applicants who came in beyond the deadline.

The Acting Chair (Ms. Cindy Forster): Mr. Hatfield.

Mr. Percy Hatfield: Thank you, Madam Chair. Why isn't it just simple to change the date to the 29th or 30th? We're not going to get it in the paper and then give people a few hours to get it in. I don't see it as a problem. It's easier to change the date than to put out a little thing: "But we'll accept you after our deadline." Right?

The Acting Chair (Ms. Cindy Forster): Mr. Rinaldi?

Mr. Percy Hatfield: I'm open to a suggestion on what date it should be.

Mr. Lou Rinaldi: Are you making an amendment?

Mr. Percy Hatfield: No, I'll leave it open to you to do that, through you, Madam Chair.

The Acting Chair (Ms. Cindy Forster): The Clerk tells me that any change affects the next piece, which is getting the prioritized list ready whenever. It's up to the committee to—

Mr. Lou Rinaldi: Percy, what date did you suggest?

Mr. Percy Hatfield: I didn't make a date, Lou, but after hearing—through you, Madam Chair—what the Chair just told us, that the Clerk informed her that if you change (5), you have to change (6) because we have to get back and give our priorities: I have no problem with changing the dates at all, and I'll be open to your suggestion on what date it should be, but if you change (5), we have to change (6).

The Acting Chair (Ms. Cindy Forster): Mr. Rinaldi.

Mr. Lou Rinaldi: For clarification to the Clerk, I guess, if we went, instead of noon, to the end of Wednesday, does that create a problem?

Mr. Ernie Hardeman: To the end of which?

Mr. Lou Rinaldi: Right now, it says "noon on Wednesday, October 28," in (5). What if it went till 5 o'clock?

The Acting Chair (Ms. Cindy Forster): Mr. Hardeman?

Mr. Ernie Hardeman: Madam Chair, I personally believe that if we, as a committee, can accept that some late applicants, if they come in the next day, could be accepted by the Clerk, then I don't think we need to change anything.

The Acting Chair (Ms. Cindy Forster): Yes, and the Clerk is actually suggesting that. We could just add something that says, "The Clerk's office will review presentations and accept as many as they can accommodate if there is room available."

Mr. Percy Hatfield: Madam Chair?

The Acting Chair (Ms. Cindy Forster): Mr. Hatfield?

Mr. Percy Hatfield: If I was reading it as an interested party, and by the time I read it it's already past the deadline, I might be like, "Why would I even bother submitting it?" I think if we're going to do it, we might as well do it right. If that means changing those two dates in (5) and (6), then I think we should do it.

I've scratched out, "12 noon on Wednesday, October"—does it say the 28th?

The Acting Chair (Ms. Cindy Forster): The 28th.

Mr. Percy Hatfield: The 28th. And this is the 26th, so the earliest this would be in the paper would be the 28th, because you're not going to get it in today for tomorrow, right?

The Acting Chair (Ms. Cindy Forster): They have made arrangements to get it in tomorrow.

Mr. Percy Hatfield: Tomorrow? With the date change?

The Acting Chair (Ms. Cindy Forster): It will be this date.

Mr. Percy Hatfield: The 28th?

The Acting Chair (Ms. Cindy Forster): They'll have to do another ad. Will you be able to get that in as well?

Interjection.

The Acting Chair (Ms. Cindy Forster): All right. So—

Mr. Percy Hatfield: Well, we'd have to change the ad anyway if we're going to add, "We will accept past the deadline."

I don't know. It just seems that we've rushed to judgment on it, and because of the other changes that we made, I think the committee opens itself up to criticism. I'll just leave it at that.

Mr. Lou Rinaldi: Chair?

The Acting Chair (Ms. Cindy Forster): Yes, Mr. Rinaldi?

Mr. Lou Rinaldi: I have a suggestion that will hopefully smooth things out here. One of the recommendations is that each party has the opportunity to choose people that we wanted. If we leave it right open, we don't have that choice. So here's my suggestion: On number (5), instead of "12 noon on Wednesday, October 28," we move it to "12 noon on Thursday, October 29." And then, on (6), I would suggest the very last line: "Friday, October 30," so that adds that other day. That way, each party still has a choice to choose who they want to come.

The Acting Chair (Ms. Cindy Forster): Any discussion on that amendment?

Mr. Percy Hatfield: I can support it because number (7)—the written submissions can still get in by the 3rd.

Mr. Lou Rinaldi: That's right.

The Acting Chair (Ms. Cindy Forster): Mr. Hardeman?

Mr. Ernie Hardeman: No, I'm fine.

The Acting Chair (Ms. Cindy Forster): You're good? So the amendment would be, under (5), "That interested parties who wish to be considered to make an oral presentation contact the committee Clerk by 12 noon on Thursday, October 29, 2015."

Mr. Percy Hatfield: Right.

The Acting Chair (Ms. Cindy Forster): And (6), "That if not all requests can be scheduled, the committee Clerk provide the subcommittee members with the list of requests to appear; and that the subcommittee members prioritize and return the list to the committee Clerk by 10 a.m. on Friday, October 30, 2015."

Mr. Percy Hatfield: Madam Chair, I think that if the Clerk was to contact the media before 4:30 today, the change in date may get in there for tomorrow.

The Acting Chair (Ms. Cindy Forster): I'm sure she'll try and do that.

Okay, so no further debate. All—

Interjection.

The Acting Chair (Ms. Cindy Forster): Yes, the amendment by Mr. Rinaldi: We're voting on the amendment that I just read. All in favour of the amendment? Opposed, if any? That amendment is carried.

Now we are back to the amended Standing Committee on Social Policy report of the subcommittee on committee business. Any further debate or amendments? Seeing none, all in favour of the amended Standing Committee on Social Policy report? Opposed? The Standing Committee on Social Policy report of the subcommittee on committee business is carried, as amended.

I don't think there's anything further on our agenda. This meeting is ended.

The committee adjourned at 1550.

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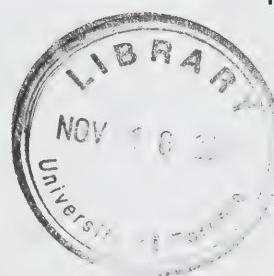
Lundi 2 novembre 2015

Standing Committee on Social Policy

Smart Growth for Our
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Comité permanent de la politique sociale

Loi de 2015 pour une croissance
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 2 November 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 2 novembre 2015

*The committee met at 1401 in room 151.*SMART GROWTH FOR OUR
COMMUNITIES ACT, 2015LOI DE 2015 POUR UNE CROISSANCE
INTELLIGENTE DE NOS COLLECTIVITÉS

Consideration of the following bill:

Bill 73, An Act to amend the Development Charges Act, 1997 and the Planning Act / Projet de loi 73, Loi modifiant la Loi de 1997 sur les redevances d'aménagement et la Loi sur l'aménagement du territoire.

The Vice-Chair (Mr. Jagmeet Singh): Good afternoon, everyone. The Standing Committee on Social Policy will now come to order. We are here for public hearings on Bill 73, An Act to amend the Development Charges Act, 1997 and the Planning Act. I'll ask you to please note that hard copies of written submissions have been distributed. Additional written submissions that were received today are distributed as well.

I want to point out one thing, though, before we begin: The deadline that was agreed upon by committee for written submissions is tomorrow at 6 p.m. But since the committee is actually meeting next Monday, November 9, I want to put it to the committee that if the committee would like to change the deadline for written submissions to next Monday, November 9, at 6 p.m.—the reason being that traditionally the deadlines for written submissions are set on the last day that we have actual deputations and hearings. Is this something that the committee would agree to? I just want to put that out to the committee.

Yes, I recognize Mr. Hatfield.

Mr. Percy Hatfield: Thank you, Chair. Good afternoon. Yes, I would make that motion.

The Vice-Chair (Mr. Jagmeet Singh): Okay. Do I hear any other concerns? Anyone else wish to add their voice? Okay. So can we say that there is unanimous agreement to move the deadline for written submissions to next Monday, November 9, at 6 p.m.? Yes? Okay, thank you. So be it. That's how it will be.

Just a quick preamble before we get into the presentations: The presenters will have up to 15 minutes for their presentation. Any time that's remaining can be used by the committee members and will be shared. I'll facilitate a fair sharing of whatever time is left over.

ONTARIO HOME BUILDERS'
ASSOCIATION

The Vice-Chair (Mr. Jagmeet Singh): We will begin with our first deputation. We have the Ontario Home Builders' Association, I believe: Joe Vaccaro, chief executive officer, as well as Neil Rodgers, first vice-president. Is that correct? Excellent. Thank you so much for being here. Your 15 minutes will begin now.

Mr. Joe Vaccaro: Thank you, Chair, and members of the committee. Good afternoon. My name is Joe Vaccaro. I am the CEO of Ontario Home Builders' Association. Joining me is OHBA's first vice-president, Neil Rodgers, who's also the executive vice-president of acquisitions and land development at Tribute Communities, which has built thousands of new homes and condos across the GTA.

Let me begin by thanking you all for today's opportunity, and tell you a little about the association. The Ontario Home Builders' Association is the voice of the new housing, land development and professional renovation industry and includes 4,000 member companies organized in 30 local associations from across the province. I emphasize "from across the province" as the proposed amendments in this bill to both the Planning Act and the Development Charges Act will impact how we plan for communities and finance growth-related infrastructure in municipalities from right here in Toronto to Sudbury and from Niagara to Windsor.

OHBA members have built over 700,000 homes in the last 10 years in over 500 Ontario communities. Our industry contributed over \$46 billion to the province's economy last year, employing 300,000 people and providing over \$16 billion in wages, supporting families and individuals across Ontario.

We would appreciate your consideration of our views on the proposed Smart Growth for Our Communities Act. It is a significant piece of legislation that will have a significant impact on all of Ontario's communities.

At this point, I would like to ask VP Neil Rodgers to say a few words.

Mr. Neil Rodgers: Thank you, Joe. The proposed Smart Growth for Our Communities Act, Bill 73, marks the next step in a long consultation process that began in 2013. Our members were consulted with and contributed to the conversation around the land use planning and appeal system and the development charges consultation,

and informed the drafting of the legislation before us today.

The association took these consultations very seriously and formed two internal association working groups to draft recommendations.

We'd also like to thank the Ministry of Municipal Affairs and Housing for its commitment to consultation with OHBA and our local associations. During that time, we met with ministry staff on numerous occasions, as well as held consultations with the Building Industry and Land Development Association in Toronto, the Hamilton-Halton Home Builders' Association, the London Home Builders' Association, the Greater Ottawa Home Builders' Association and the Waterloo Region Home Builders' Association.

OHBA brought forward a couple of key messages which we will reiterate through our presentation today: first and foremost, transparency; second, accountability; equity and fairness; and lastly, that this piece of legislation cannot simply be another opportunity to pile taxes on the backs of new neighbours.

The proposed legislation is an important piece of the puzzle to create a complete picture of how Ontario will grow in the future. I want to emphasize that this proposed bill cannot be looked at in isolation. There are a lot of moving parts and active consultations currently under way. The provincial government is consulting on upwards of 10 pieces of proposed legislation, policy and regulatory reform affecting our industry, such as the coordinated review of the greenbelt and the Growth Plan for the Greater Golden Horseshoe; the Municipal Act; the City of Toronto Act; the Conservation Authorities Act; a comprehensive wetlands strategy; a climate change strategy; the Long-Term Affordable Housing Strategy; and soon will be launching a review of the Metrolinx Big Move.

I could go on for a lot longer, but the message to legislators is that we have to connect all the dots to ensure that public policy is appropriately implemented and aligned between the ministries, the province and municipalities.

As the Minister of Municipal Affairs and Housing stated in the Legislature during the second reading of Bill 73 on April 21, "To manage growth, we had to put the pieces together and build the framework...." It is important that the minister's words are taken very seriously and that all of the pieces to the puzzle do, in fact, fit and work together.

I'm going to start with some recommendations and concerns regarding the Planning Act and then Joe will talk on specifics regarding the development charges side and asset management planning.

OHBA is supportive of provincial policy objectives to support a diversity of housing choices and to support intensification. However, OHBA contends that there is a disconnect in land use planning policy that has emerged between municipalities and the province. This disconnect threatens the successful implementation of the provincial policy statement and provincial plans and manifests itself

in increasing costs, longer and uncertain approval processes, local decisions that do not always align with provincial policy and investment objectives, and challenges to housing affordability.

Ensuring better alignment between provincial land use policy and municipal planning implementation tools was a major theme of our submission and was a key recommendation to the coordinated review consultation. We recognize that the provincial government has made a number of important steps towards facilitating intensification; however, the province must provide stronger leadership to better align provincial and local municipal public policy, while ensuring that fiscal and infrastructure investment supports planning policy and provincial plans.

We are very concerned that the legislation before us today does not take any real steps to ensure municipal official plans and zoning by-laws are consistent with and conform to provincial planning policy by actually requiring municipalities to pre-zone growth centres and transit corridors at appropriate densities. As it stands, most areas targeted for growth and intensification are vastly under-zoned with policies that are decades out of date.

The government of Ontario has now made a billion-dollar commitment to the Hamilton LRT and a similar commitment to the Mississauga LRT. Add to that improved GO service to Durham and Simcoe, the plans for 50 more GO stations in the greater Golden Horseshoe, and provincial funding of the Ottawa LRT, and you can appreciate the truly provincial interest and need in seeing that these high-order transit lines are planned through an integrated planning process that benefits from pre-zoning to create investment-ready communities that the province wants, and the population and employment densities that will be required to operationally support these investments. I would like to point out the success of pre-zoning in Waterloo region along their proposed transit line as a positive example.

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I wish I could be so supportive of what is happening, or not happening, in Toronto, where zoning is archaic, where existing subway lines remain under-zoned, and where new subway lines continue to be stuck in perpetual policy gridlock instead of pre-zoning and consultation.

Toronto will continue to suffer through the difficult and confrontational process of rezoning, where community groups ask, "Why so high?" and city planners try to defend historically low densities or local council decisions that cannot be defended against good planning principles—the very "smart growth" planning principles that this act gets its name from.

My company, Tribute Communities, recently completed a 42-storey tower about a block south of here, at Dundas and University, where the Royal Canadian Military Institute is located, on top of a subway, on a major avenue. The site is a model of intensification. It's a 50-by-125-foot site, with no parking—the redevelopment of an aging asset into a modern mixed-use commercial/residential project. Yet we spent too many years

going through the rezoning process. Without the will of former councillor Adam Vaughan, city staff might have likely refused this application, precipitating an Ontario Municipal Board hearing. It may be hard to believe, but the zoning for that site, when we acquired it, was about 20 storeys high, despite sitting on top of significant infrastructure and on one of the most densely urbanized avenues in this city, if not the province. That is what we at OHBA are referring to as the disconnect between local planning and provincial policy.

Ontarians are about to embark on a generational infrastructure and transit investment renaissance, with perhaps some significant help from Ottawa coming soon. As legislators, the public and stakeholders will look to you to ensure that these investments maximize public investment and, more importantly, are leveraged with private sector investment. Getting it right, the alignment of policy at the provincial and, most importantly, the local level—the connecting-the-dots strategy—is something we must collectively execute to benefit Ontarians.

I'll turn this over to Joe.

Mr. Joe Vaccaro: The Smart Growth for Our Communities Act refers to the smart growth principles grounded in the Places to Grow Act. Investment-oriented communities along transit corridors are a central part of that planning philosophy.

To be positive to the proposed act, it does apply smart growth principles in updating the 30-plus-year standard for cash-in-lieu parkland dedication. The improved legislative maximum reflects the provincial focus in the growth plan and the provincial interest in making transit-oriented communities happen. It should be noted that a number of municipalities already cap the parkland rate to support transit-oriented developments, and there are a number of planning policy papers that provide a clear public policy rationale to support this change. Yes, parks will still be developed and provided as part of this act's master parks plan requirements, and as the Ministry of Municipal Affairs and Housing has reported, with almost \$800 million in municipal reserves for recreational land and having collected over \$220 million in cash in lieu of parkland in 2013 alone, the funds are available for municipalities to make those investments in parks.

But to be clear, although there is an improvement in this aspect, the current debate on the proposed Smart Growth for Our Communities Act continues to be focused on how municipalities can generate more new neighbour taxes instead of achieving smart growth objectives.

As the industry has been reminded over and over again by regional chairs, mayors, councillors and municipal senior management, development charges will continue to increase, fees and levies will continue to increase, and the planning process will continue to be complicated between the tension of elected officials presenting the concerns of their constituents and professional planners presenting the best and highest use for the proposed development.

OHBA continues to advocate for fairness and transparency for new neighbours, and Bill 73 cannot result in

a further piling on of taxes on the backs of future new home buyers and employers. Every increase in new neighbour taxes is absorbed by new home buyers and employers. This is a truth that those regional chairs, mayors, councillors, municipal senior management, MPPs, ministers and even the Premier understand.

Bill 73 will increase new neighbour taxes for new home buyers and new employers. The forward-looking transit formula has municipalities preparing to triple their current DC rate. The decision to add new services to the development charges list adds a new bucket of chargeable services to be captured in the mortgages of new home buyers.

The decision to remove the ineligible services list from the act and replace it with a regulatory list will add new costs with little notice. Of course, the government is contemplating other acts and policies that will increase the cost of home ownership across the province.

Bill 73 will continue to add cost to creating transit-oriented communities, and attracting and building new employment centres. The impacts will be across the province, from Ottawa to Windsor, from London to Toronto, from Niagara to Sudbury.

Recognizing that, OHBA goes back to the core recommendations we have made from the beginning of this legislative consultation.

Transparency: We need to ensure that those new neighbours—the new home buyers and employers—understand what they are required to pay to the municipalities, and that existing communities understand why their communities are changing under provincial policy and municipal planning.

Accountability: We need to ensure that commitments made by municipalities to provide roads, transit, parks and facilities with the new neighbour taxes they collect are delivered to those new home buyers and employers on time and on budget, and that provincial investments are supported by local planning so that transit lines have the ridership that makes them revenue generators, not revenue losers.

This is a key aspect of where the asset management plans come into place. Those asset management plans tied into development charge background studies will provide the baseline by which those charges can be reasonably applied. Those asset management plans need to come forward—which has been the provincial perspective for many years—to ensure municipalities are doing their part in renewing their own infrastructure.

Equity and fairness: We need to reality-test the new neighbour taxes, do the math, and ask ourselves a question: Is it appropriate to have new neighbours carry \$150,000 of taxes in their mortgage? It is fair and equitable to have the new neighbour carrying the cost of infrastructure renewal or transit expansion when that new neighbour will be a property taxpayer for the next 100 years?

The government has made an effort in the proposed act to provide greater transparency, accountability, equity and fairness. More can be done and should be done

through regulation and policy. We have formally submitted those recommendations to government and believe that the respectful, evidence-based discussion we are having—and we are sharing—will serve to further improve the proposed act.

The Vice-Chair (Mr. Jagmeet Singh): Fifteen seconds.

Mr. Joe Vaccaro: In closing, I'd like to thank you for listening to our deputation today. We look forward to your questions. Again, it's a major piece of legislation that impacts everyone in the province.

The Vice-Chair (Mr. Jagmeet Singh): That's some impeccable timing. Thank you very much for that. Since there's only 15 minutes for each presentation, we have no time for questions, but I thank you very much for your presentation. Thank you for taking the time to be here.

Mr. Joe Vaccaro: Thank you.

BUILDING INDUSTRY AND LAND DEVELOPMENT ASSOCIATION

The Vice-Chair (Mr. Jagmeet Singh): We'll move on to the next deputation. Do we have the Building Industry and Land Development Association? Yes. And Bryan Tuckey, president and chief executive officer, as well as Steve Deveaux, chair? Excellent. Just to reiterate, it's 15 minutes for your presentation. I'll give you a 30-second or a 15-second reminder near the end. We do have a very packed schedule today. Just keep in mind that if you do want to open yourself up for questions, the 15 minutes is inclusive of questions. If you want to leave a minute or two for questions, it's up to you—however you wish to spend your time.

Mr. Bryan Tuckey: We'll do our absolute best, Mr. Chair.

The Vice-Chair (Mr. Jagmeet Singh): No problem. Please begin.

Mr. Bryan Tuckey: Good afternoon, Chair, and members of the committee. My name is Bryan Tuckey. I'm the president and CEO of the Building Industry and Land Development Association. Today with me I have our association's chair, Steve Deveaux.

With more than 1,450 member companies, we are the voice of the building, land development, and professional renovation industry, which are all part of building complete communities across the GTA. The impact of this industry is significant in the GTA. We created 155,000 jobs and generated over \$8.6 billion in wages in 2014. What I take great pride in is that our industry is committed to affordability and choice for Ontario's new home owners. Our members not only do business in the GTA, we also live here and raise our families. That's why this is so important to us.

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Bill 73 has implications for municipalities, developers and stakeholders at all stages of the development process. It reflects critical components of the planning and development system of our communities. As interested and

affected stakeholders, we thank you for the opportunity to speak to Bill 73. It is a bill that has sparked considerable interest to this association since the review was announced in 2013.

We worked closely with our colleagues at the Ontario Home Builders' Association and have invested significant amounts of time and resources to be engaged in the consultation process. Our numerous written submissions go back to 2013 and have been thoughtful and solution-oriented. I will leave one copy for the record today of some of our submissions. We're pleased to say that many aspects of Bill 73 speak to our recommendations around transparency, fairness and accountability.

For the consultations, we brought together teams of member experts who volunteered countless hours on the municipal affairs and housing development charges technical committees and the Planning Act working groups. These were established in April to support potential regulatory amendments and to look at issues requiring further analysis.

The DC groups looked at items such as a planned level of service for transit, the 10% mandatory discount from services beyond transit, ineligible services, and the applicability of implementing area-rated development charges. These issues are much too detailed for today's discussion, but I will leave you with some high-level principles and recommendations. I, too, was honoured to lend my expertise in the development charges steering committees, and today my focus will be on development charge items, and my colleague Steve will speak to some of the proposed Planning Act amendments.

First, development charges: While transit development charges is important public policy, we must recognize that they are built into the cost of every new home in Ontario as a series of taxes, fees and charges that governments place on new housing. A 2011 Altus Group study found that these fees, on average, made up one fifth of the cost of a new home in the GTA. It is important to understand that these charges are ultimately absorbed and paid for by the new neighbour. Our new residents deserve to know that the taxes they are paying are fair, accountable, transparent and, most importantly, affordable.

The industry supports transit development around transit centres and hubs and all of the associated benefits to the communities that transit serves. We're happy to contribute our fair share on behalf of the new home owner. We also recognize that there have been historic constraints on available transit funding for municipalities.

With that, Bill 73 proposes to change the way the transit DC is calculated, allowing municipalities to determine charges by looking forward at their future plans for transit. This will effectively increase the amount of transit-related capital costs that can be included in the transit DC, and OHBA's presentation outlined the impact of that increase.

During the committee process, we focused on providing professional technical advice, expert evidence and rationale. We responded to the requests of the ministry

staff team while searching for forward-thinking approaches to these issues. We would have appreciated seeing the same spirit of collaboration and critical thought from our municipal partners.

We also identified actual anticipated costs on new home owners and employers by calculating the implications on the tax base, and we went so far as to present draft transit-related regulations. Putting the numbers to public policy changes is absolutely necessary. I'm sure staff will make the committee aware of the financial impact to new home owners so you can understand the implications of these changes.

Our work showed that when the 10% eligible service requirement was removed, the tax burden equivalency on new home owners is approximately 10 times greater than that of the property taxpayer—an illustration of the actual impact on the purchase price of new homes.

We recommend the province look at and test the public policy effect of these transit DC charges by instituting a mechanism that "ground truths" the charges and their impact. This much-needed reality check relates to figures that go into the transit DC calculation to make sure we get it right and do not end up seeing what I will term as unnecessary gold-plated infrastructure.

We also need to understand the potential tax burden on the new home owner. Our future resident should not have to face paying for transit on the back of their new mortgage.

Transit funding sources for municipalities are important. We support the principle that growth pays for growth. We trust that this government remains mindful that equity and balance are required to ensure that charges for transit expansion do not disproportionately increase the cost of housing for residents or increase the cost of setting up new businesses in transit-connected communities.

Next, a bit about asset management plans.

We're very pleased to see that Bill 73 will require municipalities to integrate their use of development charges with their long-term funding strategies through an asset management plan. It is essential from an accountability perspective, and must be completed and enacted at the same time.

Background studies associated to a new DC bylaw will now expand into preparing these types of plans, which will help define what is needed versus what is wanted. This integrated system will require municipalities will look at their funding sources to build critical infrastructure to ensure their investments are financially sustainable for the full lifecycle.

Asset management plans are critical to the success of any proposed changes to the Development Charges Act, and are critical to good financial planning. They involve a detailed review of the current and future assets of a municipality, including the cost to build, operate, maintain and replace, and answer the question of whether a piece of infrastructure is affordable, not only today, but for the generations that follow. It shows a complete accounting of financial sources and clearly demonstrates how much tax revenue is needed to sustain the project.

Municipalities collect over \$2 billion in DCs annually from homeowners and have over \$3 billion in development charge reserves, which makes new home owners one of the major sources of infrastructure funding in the GTA. It is our collective responsibility to ensure appropriate measures to maintain accountability, transparency and fairness to the new home owner or new employer. This is essential for the future prosperity of the GTA.

I think this is where I'll hand over the microphone to my colleague, Steve Deveaux, who will make some additional points.

Mr. Steve Deveaux: Thank you, Bryan, and thank you, Chair and committee members. As Bryan mentioned, I am the chair of BILD, and when I am not volunteering my time here, I'm vice-president of land development with Tribute Communities.

The first item I'm going to speak to is voluntary charges. In our consultations with the province dating back to 2013, we raised concerns regarding payments extracted by municipalities through the use of voluntary agreements. In certain regions, access to services is not provided until the developer provides funds to the municipality, and the funds can be used at the discretion of the municipality. We found that some municipalities successfully levied additional charges on the industry for a variety of proposed projects with questionable public policy merit. This resulting voluntary agreement is only agreed to because there is no other way of getting approvals, permits or servicing to the project.

We are pleased that Bill 73 addresses this by including a section that states that municipalities shall not impose a charge related to a development or service unless it's permitted under the act. This will serve to support greater transparency and accountability to the new neighbours, home owners and new employers who would have ultimately absorbed unrecorded payments outside of the legislation.

However, what Bill 73 fails to acknowledge is that there are instances involving co-operative agreements where a developer agrees to make payment, to advance required infrastructure that is found in the approved municipal development background studies of the municipality and is in the best interests of the municipality and community. As written, Bill 73 would prohibit these. What we're recommending is that there be wording in Bill 73 to acknowledge and allow for the co-operative agreements entered into to fund this critical infrastructure.

Now over to a few of the Planning Act-related elements: Broadly speaking, our land use planning process shapes how communities grow, evolve and change over time. Any good land use planning decision has to be a reflection of the shaping and evolving nature of those communities, and municipalities must accommodate their growth in a responsible way.

Municipalities should always maintain up-to-date zoning bylaws and official plans, which you've heard before; these should align with provincial policy objectives and long-term infrastructure investments. This

legislation gives municipalities opportunities to modernize their zoning and official plans, where the focus should shift to getting it right at the beginning of the process.

With that, my first recommendation is to ask for you to restore the requirement for municipalities to review employment lands as part of their official plan review. In its current form, Bill 73 would remove the requirement to confirm or amend policies dealing with areas of employment, including the designation of areas of employment in an official plan. At a time where our vibrant cities are constantly changing and evolving, municipalities should be required to look at employment lands as they are reviewing their OP policies. Every 10 years, if it is a new official plan, is a reasonable time frame to do this in.

We don't want to take away the opportunity to have good planning for employment areas in a rapidly changing municipal environment. Instead, we should be looking to stimulate investment-ready communities that have creative, true mixed-use opportunities, perhaps in areas of our cities where traditional employment uses simply no longer make sense.

Secondly, regarding minor variance applications: Bill 73 states that minor variance applications may not be made in the two-year period following an owner-initiated amendment to the zoning bylaw. We understand this change may have been brought about as a result of a municipal concern that they would be faced with applications for additional floors and density to projects shortly after an approved rezoning.

1430

Unfortunately, this change does not only work to eliminate these actions; it also has the unintended consequence of eliminating a variety of other, more typical minor variance applications. When design drawings move from conceptual to detailed, there are occasions where minor adjustments to buildings are necessary to realize what has been approved. It could be a change of the height of the mechanical penthouse or the inclusion of a pipe in the ceiling of a parking space that hangs down five centimetres too low. The intent behind allowing for minor variances is in recognition that these matters develop over time.

Our request is germane to ensuring that there is a suitable amount of flexibility to completing what can be very complex development applications.

Thirdly, comprehensive zoning bylaws: In many GTA municipalities, bylaws do not truly conform to either your provincial Places to Grow plan or the official plan of a municipality. Bill 73 says that no applications or appeals would be permitted for a two-year period after a new comprehensive zoning bylaw is updated. It puts a moratorium on applications to amend a new OP or zoning bylaw for two years from the date it comes into effect.

This amendment presents a challenge for a few reasons. First, we are often left without an understanding of what sort of threshold has to be achieved to be considered comprehensive. Although it should, a comprehensive review does not require a municipality to

increase height and density to be in accordance with the official plan review or the growth plan.

For example, we know that the city of Toronto took the position that its harmonized zoning bylaw conformed to the official plan, while in its eight-year review process it did not update height and density permissions to align with the OP visioning. We would suggest that this wasn't comprehensive, and it neglected to update the key elements that are essential to promoting growth in a vibrant, dynamic city.

In our experience, comprehensive bylaws are perceived to be up to date but in fact do not go nearly far enough. They may have a new date on them, but it does not mean they were comprehensively reviewed.

Without a revisit to the proposed amendments to comprehensive zoning bylaws, we can't be sure we'll collectively be able to reach the goals and reach true conformity to the provincial growth plan.

Our members work very closely with municipalities in an effort to get it right for our future residents and employers, and we collectively aim to support the creation of strong and complete communities across the GTA.

I thank you for your time.

The Vice-Chair (Mr. Jagmeet Singh): Thank you so much for your presentation. We have approximately two minutes, so we can spread those over the three parties. We'll start with the official opposition—perhaps about 40 seconds, so maybe a question or two for each party.

Mrs. Gila Martow: We all listened very intently, and I certainly understand your concerns in terms of the transparency and the costs to the actual homeowners.

My concern remains that, yes, they're setting aside land for employment purposes—we don't want to just see bedroom communities; we do want to see employment hubs. My question to you is, what sort of employment could we be seeing outside the Toronto area?

Mr. Steve Deveaux: It's a great question. I think, depending on the municipality that you're in, builders and developers and municipalities are finding it challenging to attract the kind of employment growth that they may want, and they're grappling with how to achieve some of the growth numbers that are currently in the plan with jobs per hectare.

It is a challenge. That's why we believe that municipalities would be well suited to constantly review and update—it doesn't mean convert all their employment lands to residential. That's not what we're talking about. But once you stop looking at these things, and you stop requiring that rigour of review, then you stop thinking outside of the box.

There are a lot of areas in the old city of Toronto that were formerly areas in the core that were heavy manufacturing, that have evolved into great mixed-use communities.

We're not talking about—

The Vice-Chair (Mr. Jagmeet Singh): Thank you.

Mr. Steve Deveaux: Sorry. I'm going on too long.

The Vice-Chair (Mr. Jagmeet Singh): My apologies. Time is limited. It's a really awkward system. I apologize for the way it's set up.

We have to go to the next party. Mr. Hatfield.

Mr. Percy Hatfield: Let me go back to Bryan. During the committee process, you mentioned that you were searching for forward-thinking approaches to the development charges involving transit. Your quote is, “We would have appreciated seeing the same spirit of collaboration and critical thought from our municipal partners.” I read into that that, in your opinion, you didn’t get that. What was the problem?

Mr. Bryan Tuckey: The problem, as I saw it, sitting in that committee—the development industry and the municipalities put forward an alternative approach to development charges. We were asked to look at each other’s approach to see how it might fit. We spent a considerable amount of time working on what’s called the Toronto-York subway extension model and really put in a lot of effort with our various experts. When it came to municipalities reviewing the model we put forward, there was nothing forthcoming.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. I apologize; the 40 seconds are up. To the government. Mr. Milczyn.

Mr. Peter Z. Milczyn: Thank you, Mr. Chair. I’ll try and be very brief.

You touched on the issue of municipal reporting around the payments that are made, so that is development charges, payments under section 37 of the act and parkland charges. The combination of more transparency and accountability around municipalities reporting on how they use those funds, being audited—the development charges are increasing but at the same time there is going to be more accountability about how that money is spent. Do you think that is welcome to you and welcome to the prospects of ensuring that people are actually getting what they’re paying for?

Mr. Steve Deveaux: I would say yes, and that’s a good question. I think the point that Bryan was making with respect to asset management plans is that there requires an added level of rigour to the review of some of these infrastructure programs to make sure that not only can you pay for it today but it’s going to sustain itself long-term. Are you putting the right amount of density on these plans? Is there a funding formula that makes sense? Is there going to be proper taxation for the lifespan of the project? What’s been proposed in the legislation is good, but with some of the other changes that add costs to the development industry and the new neighbour, we think that there’s an added level of rigour that’s necessary.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Deveaux. Thank you very much to you both for your presentation today.

MR. JUSTIN DI CIANO

MR. ROBERT HATTON

The Vice-Chair (Mr. Jagmeet Singh): Our next presentation is from the city of Toronto, Ward 5, Etobicoke-Lakeshore, city councillor Justin Di Ciano. Welcome. Thank you for being here, sir. You’ve heard it

before: 15 minutes for your presentation including any questions, if you’d like to leave time for that. Please begin.

Mr. Justin Di Ciano: Thank you and good afternoon, Mr. Chairman and committee members. Thank you very much for the opportunity to speak on this critical and important issue. My name is Justin Di Ciano and I am the Toronto city councillor for Ward 5, Etobicoke-Lakeshore. I have the pleasure of serving as the vice-chair of the planning and growth management committee, as well as a member of the city of Toronto’s budget committee. Further to these roles, I was appointed to the committee that will be working with the province in the upcoming review of the City of Toronto Act. To my right is Rob Hatton, who is the director of corporate finance for the city of Toronto.

I am aware that city of Toronto staff participated in working group consultations over the summer and have advised their provincial counterparts of the city’s position on development charges reform as part of the working group consultation. Those positions and more are laid out in a city of Toronto report on Bill 73 and DCs adopted in May 2015, which the city submits to these proceedings for your consideration.

I speak today to emphasize some of the points made in the report about Bill 73 that, if enacted, will continue to handcuff the city of Toronto in its abilities to fund necessary growth-related infrastructure. The fundamental premise of the Development Charges Act is “Growth pays for growth.” In essence, development should pay for the cost of infrastructure that is required to service it, not the taxpayers. This premise is based on fairness and recognizing the need for municipal infrastructure funding.

Ontario municipalities and Toronto in particular face the dual challenge of maintaining existing infrastructure and investing in new infrastructure projects to meet the demands that growth puts on our city. The current limits facing Toronto on development charge recoveries significantly restrict municipal growth-related capital recoveries from developments in Toronto. The limits I’m talking about are:

- (1) A mandatory 10% discount to the rates for specified services;
- (2) The level of service caps limiting recoveries to expenditures in line with average past spending; and
- (3) The list of municipal capital programs ineligible for development charges.

The Development Charges Act and the restrictions I mention were implemented by the government of Ontario in 1997 as a result of rapid greenfield growth in suburban municipalities. They are not appropriate and not properly suited for Canada’s largest city, where all development is infill, and thus is directly contributing to the municipal infrastructure funding challenges faced by the city of Toronto today.

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The reality of Toronto’s municipal infrastructure gap is unsustainable. We are struggling to maintain assets such as the Gardiner Expressway, the TTC and the largest social housing portfolio in the country. These

demands are disproportionate to the size of the city. We are the only municipality that operates and maintains limited access and elevated expressways. We have the highest per capita transit use, and we operate high-cost, high-order transit facilities like subways. We have the largest stock of old social housing communities, where over 200,000 people live in buildings that were designed and built when electricity was cheap and reliable, carbon wasn't a concern and air conditioning was a luxury, not a necessity.

The development industry recognizes these challenges, but does not support removing the restrictions on development charges, citing housing affordability concerns. As a commercial real estate and finance executive for the past 10 years, I can tell you first-hand that this argument is simply misleading.

Like all input costs, development charges obviously make up a portion of the purchase price for a new residential dwelling. However, overall, development charges have very little to do with new housing prices. The only factor that changes when development charges in Toronto go up is the price for land will go down. This is what we call the variable cost.

Home prices are established by market conditions, interest rates, location, type of housing, access to transit etc. Developers sell new homes based on fair market value: What can people afford to pay and what can developers offer for that price? Only then do developers know what value they can afford to pay with respect to the variable cost of land.

Today, development charges and levies in Mississauga, Oakville and Brampton are up to three times higher than in Toronto, and yet labour costs are the same; concrete costs are the same. The only difference is, home prices in those cities are \$100 less on average per square foot than in Toronto. Still, developers continue to develop in those cities and they continue to make money.

Developers in Toronto pay the lowest development charges in the GTA, yet we have the highest price per square foot for new residential units. Simply put, input costs are not dictating prices in Toronto. Supply and demand is dictating prices, placing landowners in a very privileged position. Of course, when development charges are higher, the value of their land is discounted. So I ask you, who is in a better position to afford it?

Development charges are required to provide services that new residents need and deserve. Constraining development charges impedes a municipality's ability to provide this infrastructure for services on a timely basis. It is for these reasons that I respectfully ask that the province move beyond limited changes to the act related only to transit and solid waste diversion and restore the ability to fully charge DCs for all services.

I would also like you to consider improvements to the act to address administrative changes that, if enacted, will be financially punishing for the city of Toronto to administer. They include reversing the proposed amendment to make DCs payable at the time of the first building permit, reversing the proposed amendment to give the minister

authority to require area-specific development charges, and eliminating the provision that guarantees the OMB can never rule to increase the DC cost to developers. The way it is now, developers can only win. I think you can appreciate that it doesn't create conditions for fair discussions when one side is in peril and the other risks nothing.

I know the development industry will tell you to move slowly and carefully in regard to anything that will increase development charges. One of their most successful strategies is to require delaying implementation. I'm here to tell you the opposite. Developers in Toronto must pay their fair share. Since 1997, the city of Toronto has lost hundreds of millions of dollars in forgone development charges. As Canada's largest city, we risk losing competitiveness from a lack of infrastructure investment required for future growth. As Mayor Hazel McCallion said, we have two choices: We can advance development fees for infrastructure or put it on our property taxes and utility bills. Now is the time that, as politicians, we act in the interests of the people, not special interests. We have a duty to restore fairness and balance for both the city of Toronto and the taxpaying public. Our prosperity as a city lies with you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Councillor, for your remarks. They're well appreciated.

We have about two minutes for each party for questions. In this rotation, we'll begin with the third party.

Mr. Hatfield, please begin.

Mr. Percy Hatfield: Good afternoon. Welcome. You talked about development charges in, of course, the GTHA.

The municipality of Leamington, in a three-year experiment, did away with development charges altogether, replacing it from a reserve fund, having a housing boom. New subdivisions are going up everywhere: multi-residential, industrial.

When you talk about development charges, are there creative ways of still having development in the greater Toronto area that you could look at, as opposed to just talking about the elevation of development charges?

Mr. Justin Di Ciano: I don't believe that we have an issue in Toronto with respect to attracting development. I think that as Canada's largest city, we're in a very unique position, much different from our surrounding municipalities, with the social costs we bear to deliver services.

With the amount of growth that's coming, we simply cannot move any further without bringing development charges that are meaningful. Like I said in my speech, we have the largest stock of social housing; we have the most complex forms of public transit. When people migrate to Canada, most of them are coming to Toronto. Without the ability to invest in infrastructure, the city is going to be swallowed by its own success.

The Vice-Chair (Mr. Jagmeet Singh): Thirty seconds, if you'd like to ask—

Mr. Percy Hatfield: Of course. Where are you going to get the money to improve your stock of social housing?

Mr. Justin Di Ciano: Well, if we didn't, as a city, have to take tens of millions of dollars of our own capital money to put into infrastructure, understanding that between 2009 and 2013, the city of Toronto taxpayers paid \$350 million extra to receive the same level of service as a result of new development—if we could take that money and allocate it where we need to allocate it, because we had the right calculation for development charges coming in, we could focus on both, as opposed to just trying to make a priority with the limited resources that we have.

The Vice-Chair (Mr. Jagmeet Singh): We'll now move to the government. Mr. Milczyn.

Mr. Peter Z. Milczyn: Good afternoon, Councillor Di Ciano. Welcome to Queen's Park. Thank you for your presentation. You raised a number of good issues.

Certainly, the changes in this bill, should it be enacted, will increase development charges for transit, which is a significant issue in the city of Toronto, and also for waste diversion facilities, which, in the city of Toronto, whether there are challenges with implementing new systems for the separation of waste or eventually looking at a new landfill or other technologies to deal with increasing levels of waste—those things are being built in.

Also, while not part of the bill itself, the minister did announce certain regulatory changes that would allow for a forward-looking averaging of service levels for development charges. In 2017, when the city of Toronto undertakes its next development charges background study, I believe you will have a lot of tools at your disposal to conceivably dramatically increase development charges, if the city so chooses.

Mr. Justin Di Ciano: I don't see it 100% like that. I did state that we appreciate the fact that waste diversion and transit are going to be treated differently from development charges, but we're asking for all growth-related infrastructure to have the same courtesy.

I can put it over to Rob to further clarify.

Mr. Robert Hatton: I think that's fair to say. When city council looked at this in May, they said what is being proposed is great but it just needs to go further.

Mr. Peter Z. Milczyn: And the city of Toronto has the lowest property tax rates and the lowest DC rates in the GTA.

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The Vice-Chair (Mr. Jagmeet Singh): You have about 10 seconds, if you'd like. There's not much you can do in 10 seconds.

Thank you very much, Mr. Milczyn. Now to the official opposition.

Mr. Ernie Hardeman: Thank you very much for your presentation. I'm a little inquisitive about when you talked about the cost of development charges: that if you took the lid off and just charged as much as we need to cover the infrastructure costs, that's not having an impact on housing. Then you carried on and said that, in fact, what causes the increase in housing is the marketplace, because people are willing to pay for it because they have to. Isn't there a connection between the two: that the

reason that prices are so high is because it costs that much to create that, and if you're not willing to pay it, it wouldn't be created? Is that—

Mr. Justin Di Ciano: To an extent, you're correct, but we need to fully understand the dynamics of how the industry works. The only variable cost, essentially, is land. We know what our soft costs are, we know what our hard costs are, our marketing costs, our agency fees, all that kind of stuff. Ultimately, developers look at it as, "What's the affordability rate? What's the fair market value? What can people pay?" They look at interest rates and they say, "Okay, \$400,000 is the average price that someone can pay for a condo." So we know what are our hard costs are and we know what our soft costs are. What's left is our land and our profits.

If development charges go up, simply put, the development industry just has to pay less for land, because they're not going to build at a loss—needing to understand that a lot of developers own a lot of land. But if you look at the average gas station in the downtown core that was purchased 10 years ago for \$2 million, today it's worth \$30 million. I'm fine if it goes back down to \$25 million, but at a certain point—that's why it's misleading to suggest that we're going to put it on to the end consumer, the end buyer. If we think that it would be that easy to just add another \$25,000 to the price of a residential dwelling—it doesn't work that way. If they could do it, the development community would do it. They don't because they're going after what's fair market value.

As long as people are buying at fair market value, provided that development charges and levies are elevated, land values will go down. It doesn't have an effect on whether construction starts are going to happen or whether we lose jobs. It has nothing to do with that. You're simply taking away from the land value to put into the development charge, to just do what the Development Charges Act states, which is—

The Vice-Chair (Mr. Jagmeet Singh): Sorry, we've run out of time. I wanted to just jump in. Thank you so much to the councillor, Mr. Di Ciano, for your presentation.

Mr. Justin Di Ciano: Thank you very much.

TIMES GROUP CORP.

The Vice-Chair (Mr. Jagmeet Singh): The next presentation will be from Times Group Corp. Is the Times Group Corp. present? Excellent. I have Ira Kagan.

Mr. Ira Kagan: Thank you very much. Good afternoon, Mr. Chair and members of the committee. I'm a lawyer who practises municipal and land development law and I've done so for the past 25 years. My clients include both developers and municipalities.

I'm here today on behalf of one of my clients, Times Group Corp. They're one of the largest developers of high-density residential in York region. Times builds its projects in the very areas that the growth plan identified as growth areas, such as Markham Centre and parts of Richmond Hill. Not only do they build in the areas that

the growth plan wants them to build in, but they build the type of projects that the growth plan envisions, which are these higher-density residential complete communities. In addition, Times also builds LEED gold and higher projects. The projects that Times builds have been used as examples, by York region itself, as being the kind of projects that are critical to fulfill the goals and objectives of the growth plan.

As many of you know, York region and the province have invested billions of dollars in higher-order public transit, and York region relies on money earned from these higher-density projects to pay back the substantial investment and debt that it's incurred. So the backdrop of my deputation today is that the province and the municipalities and my client—in fact, beyond my client; most developers in the development community—all want to see the growth plan succeed. They want its vision to succeed and for good planning to result. The challenge is how to get there. So I'm going to make, respectfully, three recommendations on how to improve that vision through the proposed changes to the Planning Act and the Development Charges Act.

My first topic is going to be parkland dedication. As you know, the current Planning Act permits municipalities to take land or cash in lieu of land at a maximum rate of one hectare per 300 dwelling units. The bill before this committee proposes to change that maximum to one hectare per 500 dwelling units. While that change is a step in the right direction, it isn't going to fix the problem. More is needed.

The problem is the formula. If you base Planning Act parkland dedication on number of hectares per dwelling unit, you can change these numbers any way you want and make these numbers anything you want, but no matter what you do, the formula itself is flawed and will discourage intensification and affordable housing—and I'll work through some simple arithmetic to show you—because it penalizes higher density development and penalizes smaller, more intrinsically affordable units. I'm going to show you how this works.

For high-density residential sites, the land value of the site is directly proportional to the permitted density. Everything else being the same, if you have a site with two times density and a site with four times density, the site with four times density is worth double. Now, if you're bordering Central Park in New York, obviously your land value is going to be more than if you're bordering a garbage dump. But in the GTA, we don't have those kinds of locational attributes for most high-density sites, because the growth plan tells you where to put the high-density sites. So everybody is on the same playing field, more or less.

I want to use an example to illustrate the problem. Imagine you have a parcel of land with permission for a 10-storey apartment building. I'm going to ask you to assume that the 10-storey apartment building has a density of 2.0 times the lot area—2.0 is not a very high density site in the GTA, but it's something you would see planned, for example, on Highway 7 in Richmond Hill, Markham and Vaughan. That's the minimum—2 or 2.5.

So you've got this 10-storey apartment building with two times density. The average apartment size being built these days is between 700 and 800 square feet. Based on current land values in Richmond Hill, Markham or Vaughan, each of these apartments would pay approximately \$25,000 in cash in lieu of parkland. The municipality takes the money from this one apartment unit—\$25,000—gathers up all the other money it receives from every other apartment unit and uses it to go out and buy parkland in the appropriate location.

Based on the municipal estimates, this unit in the apartment building that I've just designed would have anywhere from 1 to 1.5 persons living in it. Just to make the math easy, assume therefore that the municipality has calculated that each person in the 10-storey apartment building pays \$20,000 toward a fund, and that money goes to buy parkland for them. So the amount of money it would cost to buy parkland for one person is \$20,000 for the 10-storey building.

Now, I'm taking that exact same 10-storey building to illustrate the problem with the formula. I take that same 10-storey building and put another 10-storey building directly on top of it. Now I've got a 20-storey building. Everything else is the same. Average apartment size is the same. You have doubled the number of units on the same piece of land; you have double the density. You'd think that if \$20,000 was enough for the person living on the second floor of the building—I live on the second floor in an apartment unit by myself; I just paid \$20,000 toward parkland. You'd think that if there was another building built right on top of me, I would still pay \$20,000. I'm one person living in one unit, and that's how much parkland generation I create; \$20,000 was enough for me before, and it should be enough for me now.

Because of the way the formula works, the density of the site doubles and the parkland rate doubles. I'm now paying \$40,000 in parkland. Why? Because I've got a neighbour on top of me. If I didn't have the neighbour on top of me, I would pay \$20,000. The building itself, at 20-storeys high, pays four times the amount of parkland as the 10-storey building. It should be double. If I have double the number of units, I should pay double the amount of parkland.

The problem is the formula, because the formula does a double multiplication. It says you have doubled the units; you pay double. Everyone is okay with that. But the land value has doubled, so it's double times double—four times. Now, if I make it a 30-storey apartment building, that would be six times density. It sounds like a big number, but it isn't. That's the density being planned in parts of Richmond Hill, for example. I work on a project right now in Kitchener at over eight times density—21 storeys high. Not the biggest deal in the world. So these numbers, six times density, are very realistic and they're what the growth plan encourages and envisions.

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I've got a 30-storey apartment building—a 10-storey apartment building on top of another, on top of another.

Now, me, living on floor number 2—I now pay \$60,000 of the purchase price towards parkland. What happened to the fact that \$20,000 was enough to buy me the parkland that I was going to need? Why did it become \$60,000? Not because, all of a sudden, I need a more expensive fancy park, but because the formula creates this inequity.

No tinkering with the formula—X hectares per X dwelling unit—is going to fix this problem. The only thing that fixes this problem is a percentage cap on parkland. Many municipalities are doing that right now voluntarily, but not all are. Examples of who is doing it voluntarily: Toronto has a 10% to 20% cap on parkland; Aurora, 5%; St. Catharines, 30%; Guelph, 20%; Windsor, 25%; and Waterloo, 15%. This is not a complete list. These places have the concept right.

The province has an opportunity in Bill 73 to require a percentage cap for parkland dedication. I want to make it clear that, with a percentage cap, there will never be free units built because, as the number of units in a building goes up, every unit has to pay parkland dedication, but the first unit in the 10-storey building will pay that same amount. Whether there's a unit on top, or on top, or on top or on top, every unit in the building will pay the same amount. It makes no sense, when I go from a 10-storey building to a 20-storey building, that I personally have to pay double for parkland. It makes no sense, and it's the problem with the formula.

My respectful recommendation is that the province amend the Planning Act to provide a percentage cap on parkland takings for high-density residential development. That's all we're talking about: high-density residential in planned growth-plan intensification areas. My recommendation, based on the survey I've done, is for a 15% cap.

My second recommendation deals with development charge credits for LEED development. LEED development is Leadership in Energy and Environmental Design. It's a way to build more sustainable buildings. All municipalities encourage builders to do it, but they're not required to do it. Builders, being business people, will do it if there's a reason to do it, if there's a market to do it, but if it just costs more money and you can't get anything out of it, it's hard to motivate people to do it.

So the province has an opportunity to provide an incentive for LEED development. LEED development would create less waste water, use less fresh water and, depending on the type of LEED features that are put in the building, put less of a strain on roadways. You can actually, by encouraging LEED development, reduce the amount of money the province and municipalities have to spend on new development.

If a building has LEED development and produces less waste water and uses less water, it should pay less in development charges, but the act doesn't require that. It says, instead, that we spread the cost of all kinds of development equally amongst everybody, so the first people to build LEED development get no benefit from it. You'd need lots of people to build LEED develop-

ments before you start to see a reduction in the amount of roads and water that are required. How do we do that? We have to incent them to do it.

My recommendation is that there be a statutory discount for LEED development buildings. It doesn't have to be a huge discount at the beginning, but you have to provide a reason for people to build this, so that everybody saves money in the end, so eventually development charges can come down. Right now, municipalities encourage this LEED development, but they have very little way of requiring it.

My last recommendation is also a development charge credit, and it's for higher-density development. The same idea as I described with respect to parkland occurs with respect to development charges. Generally speaking, development charges hit the smaller, more affordable apartment units and the more dense development projects. It hurts them much more than it hurts the subdivision, low-scale development. Yet the growth plan specifically encourages this higher density development, so you've got one piece of legislation saying, "Please build more high density in the growth-plan-identified areas," but you've got all your taxes, if I can call it that, working in the opposite direction.

Development charges are very complicated, but if I can just summarize it this way: The municipality goes out and does a big study and determines that these are the roads and water services, for example, that it needs to build in order to accommodate the planned intensification. That planned intensification is based on growth plan minimums, so it assumes, for example, a 20-storey building over here and it creates the charge for that. Then that developer comes in and says, "I know you assumed 20, but I really think good planning is 30 storeys over here," and the municipality agrees.

Why does that project have to pay 50% more development charges when the entire study was based on the assumed density, that that's what they're going to build? My recommendation is that where a project comes in at a higher density than was assumed in the background study—a higher density than was assumed in the growth plan minimum—that that project only pay the development charge that was assumed in the study; again, only for high-density development. This is a great way to encourage the type of development that the growth plan envisions.

Those are my recommendations. I hope I didn't take all 15 minutes because I'd love to answer some questions.

The Vice-Chair (Mr. Jagmeet Singh): Thank you. No, you haven't taken all 15 minutes. There are about two minutes, 10 seconds left.

We will begin first with the government side. I believe it's Mr. Milczyn.

Mr. Peter Z. Milczyn: Thank you, Mr. Kagan—a fascinating presentation. I'd be happy to debate it with you all afternoon, but we don't have the time.

In this legislation, however, we are putting in place a measure to ensure that municipalities, when they take

cash in lieu, they take a more reasonable amount, and also put an onus on municipalities to actually plan for parks, which they will build and provide to new purchasers.

Notwithstanding your presentation, do you think it is a step in the right direction?

Mr. Ira Kagan: Absolutely. I fully support the requirement for a parks plan; I fully support that. The change in the legislation from 1 to 300 to 1 to 500 is a step in the right direction, but the formula is what's broken. That was the point of my presentation.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. We'll have to move to the next party. Thank you for your question.

From the opposition, Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your very involved presentation. I noticed that you listed three or four things in your recommendations. If I had a magic wand and I could fix one thing for you, what would it be?

Mr. Ira Kagan: Parkland. That's why I did it first. Hands-down, the parkland charge in the GTA exceeds all other development charges combined by a significant factor. If you want to fix one thing that will make a really big difference, put a percentage cap on parkland, please.

Mr. Ernie Hardeman: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, Mr. Hardeman.

Moving now to the third party: Mr. Hatfield.

Mr. Percy Hatfield: Not all of us are from the GTA. A lot of us would like to see a lower limit on parkland so that we would have more parkland as a quality-of-life issue; so the 200 or 300 doesn't do a lot for me.

Why don't we just say to the developers, "Before you come in with a plan, bring your parkland with you. Don't give me cash in lieu; bring parkland"?

Mr. Ira Kagan: For low-density, grade-related housing, that's exactly what developers do, and no one was suggesting that that system was broken. My recommendation only dealt with high-density residential developments.

Mr. Percy Hatfield: Exactly. So instead of putting up two towers, put up one and give parkland and you have a more valuable neighbourhood?

Mr. Ira Kagan: If it weren't for the growth plan requirements, that's what developers would choose to do, in fact. Now the fight at municipalities is quite different than it used to be. It used to be that the developers would fight really hard to get more density on a site. Now, because the parkland rates are so high, developers are saying, "I can't afford to build the high-density anymore. I want to change my permission to lower density and I will give you dirt." And the municipalities are saying, "You can't do that, because then we can't meet our growth plan targets."

It's exactly the reverse of what you were saying. For this very reason, the formula is broken.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much.

Mr. Ira Kagan: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you for your presentation, sir. Thank you for all of the questions.

ONTARIO PROFESSIONAL PLANNERS INSTITUTE

The Vice-Chair (Mr. Jagmeet Singh): We'll move now to the next presentation: the Ontario Professional Planners Institute. Are you present?

Mr. Peter Z. Milczyn: Planners.

The Vice-Chair (Mr. Jagmeet Singh): Sorry. My apologies. I have trouble reading.

Ms. Andrea Bourrie: I could be a planner, if you want me to be one.

The Vice-Chair (Mr. Jagmeet Singh): I would love for you to show us the importance of planting. Thank you.

The "planners" institute—right. Andrea Bourrie, president, and we have Loretta Ryan, director of public affairs. Please begin.

Ms. Andrea Bourrie: Thank you very much, Mr. Chairman and members of the standing committee. It is my pleasure to be before you today. My name is Andrea Bourrie, and I am the president of the Ontario Professional Planners Institute, also known as OPPI. We appreciate the opportunity to speak to you today about Bill 73, the proposed Smart Growth for Our Communities Act.

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We are the recognized voice of the professional planners in Ontario, and our more than 4,000 members do work in government and private practice. We work with respect to not-for-profit agencies, academia, in the fields of urban and rural planning, as well as in community design, environmental planning, transportation, health, social, so we certainly cover the full gamut of the types of issues that you deal with. Our members meet quality practice requirements and are accountable to OPPI and the public to both practise ethically and abide by a professional code of conduct. So we really are a professional organization that feels we have some great ideas to bring forward to you today.

Only full members are authorized to practise in Ontario under the Ontario Professional Planners Institute Act, 1994, and to use the title "registered professional planner." We have made numerous submissions to the province over the last several months and years and do feel that we have an opportunity to continue that consultation and really welcome the opportunity.

We really support the efforts of the province to improve our legislative tools and welcome a number of the positive changes that are being proposed within Bill 73. We are pleased to see that many of the comments that we have raised previously have been included. For your reference, these submissions are available on our website at ontarioplanners.ca.

While we are pleased to see a number of our previous submissions included, there are a few things that I would like to raise to you today, some additional improvements

to the bill that we think would make things even better. My comments are going to be given to you in two parts, the first part related to the Planning Act and the other section related to the Development Charges Act.

With respect to the Planning Act, generally we believe that there are a number of proposed changes to the act that will achieve the goals that you have set out with respect to effective citizen engagement, stability for planning documents and increased municipal accountability, strengthening the protection of provincial interests, encouraging more proactive planning and providing enhanced planning tools at the local level. I do applaud you for those efforts.

With respect to some additional comments, the 10-year time frame to implement the provincial policy statement: We do support the extension that has been included in the bill. The extension of this time frame should afford municipalities more time to properly contemplate and implement major changes that are being proposed by the province. It also allows the province an opportunity to conduct meaningful stakeholder engagement when reviewing the PPS.

I would like to suggest to you that the province also harmonize the time frames for reviewing the PPS with other major provincial plans, specifically the Greenbelt Plan, the Oak Ridges moraine plan, the Growth Plan for the Greater Golden Horseshoe and the Niagara Escarpment Plan. Really, what we're talking about is minimizing the potential for being in a constant state of perpetual review, particularly related to these foundational policy documents that guide land use in Ontario. I think that that would be an additional help to the province, the municipalities and certainly the planners who are involved in these reviews.

With respect to the 10-year time frame for a review of new official plans, again we support the changes that have been proposed to extend the time frame for reviewing plans from five years to 10 years, particularly after a new official plan has been approved under the Planning Act. Most municipalities undertake considerable effort and community engagement during these official plan processes. In some cases, it may take up to five years to actually complete the process and have a new official plan come into place when we account for dispute resolution and appeals. With this in mind, we believe that the extended time frame is reasonable and the rationale that has been provided is appropriate.

We would suggest, however, that the 10-year time frame be stated as a maximum and, where desirable, municipalities should be encouraged to review their plans based on local circumstance, and potentially even review things sooner if those circumstances require it. Some consideration for the term "new official plan" may also be appropriate because there may be some interpretation about what "new" actually means. A famous interpretation issue is trying to make sure we understand what we're all talking about.

With respect to limitation of whole plan appeals, OPPI had previously commented that the province should

consider limiting whole plan appeals. We are supportive of the current effort to limit the potential for frivolous whole plan appeals. We are also supportive of the changes which limit appeals on certain matters of provincial interest, including:

- vulnerable areas under the Clean Water Act;
- population and employment forecasts assigned through the growth plan to an upper-tier municipality, as well as forecasts assigned to a lower-tier municipality where an upper-tier plan has been approved; and
- settlement area boundaries in a lower-tier official plan where a corresponding upper-tier plan has been approved.

We note that the need to review employment lands as part of an official plan review process has been removed as a mandatory requirement. This does cause a little bit of concern. While we understand that the employment land component of an official plan review can be controversial and result in time-consuming appeals, we do believe that the province needs to encourage municipalities to proactively plan for employment growth.

Our economy is dynamic and it's crucial that communities should be free to modify, update and review employment area policies to respond to emerging issues and opportunities. I do believe that there are alternative tools that would help to better protect employment areas over the long term and reduce the potential for controversial appeals and that these opportunities and these tools should be further explored.

While the current Planning Act limits appeals on site-specific employment land conversions, we do suggest that the province consider restricting appeals on the approval of employment land policies where local municipalities have implemented or applied the growth plan. Some criteria could be established to further scope the potential for appeals on employment land policies.

With respect to two-year restrictions on amendments to new official plans and comprehensive zoning bylaws, again, we are supportive of the province's intent to limit appeals for new official plans and comprehensive zoning bylaws, but we do think that some additional attention is needed to allow for flexibility to recognize different approaches that municipalities may choose to undertake. Some rural municipalities, for example, rely on the amendment process to refine official plan boundaries, and older municipalities may actually look at the amendment process to refine development standards which may not necessarily apply to all sites. There needs to be some flexibility, I think, to take a look at specific standards.

With respect to mandatory policies on public engagement for official plans, we are very supportive of the idea to include those policies as a mandatory requirement for official plans.

As well, alternative forms of consultation and notification: We think that the Planning Act currently allows for alternative measures for consultation, and we're very supportive of the idea of extending these permissions to subdivisions and consents. Making best use of technology is really something that we need to be thinking

about, and making sure that the public can be effectively engaged on planning matters.

With responses being required for written and oral submissions: It's our understanding that Bill 73 provides a new direction for various decision-makers to provide explanations as to how to deal with various written and oral submissions that might come forward as part of a public meeting. Overall, OPPI is supportive of this direction and encourages transparency and accountability in all of these initiatives. The province should, however, consider providing some guidance that will help implementation and allow for some flexibility for the general summary of comments because it does get a little bit challenging to make sure that you're dealing with things comprehensively.

We do support Bill 73's direction with respect to dispute resolution in allowing decision-makers to resolve conflicts prior to holding an OMB hearing. We expect that there would be further details coming as we move towards implementing regulations.

With respect to mandatory planning advisory committees, again, we are very supportive of this initiative. I think it does talk a lot about engagement and there are municipalities that are using this, and I think that it is a great opportunity to bring this forward.

The community planning permit system is always an interesting topic, and OPPI is an advocate for the development permit system which is intended to streamline the development approvals process. Through proper guidance and criteria, the tool can avoid unintended consequences: conflicts between upper- and lower-tier municipalities, increased costs and the potential for appeals.

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While Bill 73 does provide provisions that would allow the province to impose these requirements, we note that there aren't a lot of municipalities that have taken up this tool voluntarily. I think it's important that the province consider providing some criteria for how and when such a system would actually be imposed, because I think we need to understand what the criteria are for requiring this, when until this point it has been voluntary.

I'm going to move on to changes to the Development Charges Act, because I know I'm probably almost out of time, and you gave me a lot of material to cover. Obviously, development charges are a very important tool for municipalities. It's one of the primary financial tools allowing municipalities to plan for growth and deliver the necessary physical improvements for communities.

OPPI supports the province's efforts to improve the Development Charges Act. We do applaud you in some of the changes that have been made. With that in mind, I do have a few comments that I'd like to make.

The transit discount: OPPI does support the removal of the 10% discount for transit services. This was previously raised in our January 2014 submission, and we are encouraged by the proposed changes. I think they will help to better support local sources of transit funding.

We would also like to take the opportunity to reiterate the concern raised in our May submission about the provincial plan review. Local sources of funding alone will not be sufficient. We need to find an opportunity to explore dedicated sources of funding for transit. I think that our May 28 submission goes into that in additional detail.

With respect to the use of alternative levels of service, OPPI does support the opportunity for municipalities to develop cost recovery charges based on projected future levels of service. While we understand that these regulations will provide more details, we encourage the province to provide clarity on how and when alternative methodologies will be accepted. We suggest that the province strengthen this particular policy to reduce the potential for conflict in its application.

With respect to reporting requirements, we do support the requirements that are intended to increase transparency and accountability. Requiring municipalities to create an annual report that shows how parkland dedication and density bonus fees have been collected and applied is a very reasonable policy, and we're happy to see that.

To ensure that a consistent approach for reporting is applied, we think there might be some opportunity for some additional guidance to come down from the province.

Lastly, with respect to linking development charges to asset management, the proposed changes to the act direct municipalities to integrate asset management planning with the preparation of development charges background studies. In principle, we do support the change, although we understand that this may require some significant harmonization for many municipalities, and that's something that I think you need to take into consideration.

Thank you very much for the opportunity to speak to you. We do support your efforts to improve and streamline Ontario's planning system. It's very important to OPPI, and we welcome the opportunity to continue our collaboration.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. We have just a little bit over one minute. It's not a lot of time for questions, but perhaps we could try to do some questions quickly. We'll begin with the official opposition. Ms. Martow.

Mrs. Gila Martow: I'm going to ask you very quickly: A lot of times, governments make regulations, but people try to find a way around them. My concern, which I see up in York region, is that we're building bus lanes for rapid transit but we're still building high density along those bus lanes, with lots of parking. What is your opinion on allowing higher density along transit routes but still building all this parking?

Ms. Andrea Bourrie: Thank you very much for the question. I think it's a matter of change management, right? We're human beings, and we have to get used to these differences. We have to continue to provide efficient, affordable and easy-to-use options. I think that will happen over time. As we move, we have to phase those parking requirements. To go cold turkey is a little

bit difficult, and I think we just have to continue to work toward it.

The Vice-Chair (Mr. Jagmeet Singh): We'll move now to the third party.

Mr. Percy Hatfield: Thank you, Andrea, for a very comprehensive presentation. What are your suggestions for the criteria for citizen appointments to the planning advisory committees?

Ms. Andrea Bourrie: Again, an interesting question. I think that one of the key things is training. I think it has been used in other jurisdictions, where people who are sitting on a planning advisory committee need to go through a formal training process. It doesn't really matter what your background is, as long as you've had some training. I think that's a good first step.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Hatfield; thank you very much for the answer. To the government side, Mr. Milczyn.

Mr. Peter Z. Milczyn: Ms. Bourrie, thanks for your presentation. Your organization represents both municipal planners as well as private sector planners. Do you think that the suite of changes that's being proposed in this legislation will make the planning process more transparent, more accountable and more predictable for everybody?

Ms. Andrea Bourrie: Thank you very much for the question. I do think that the transparency and accountability improvements are positive. I think that you'll still have some debate over it, as there always is, but I do think that they are very positive steps.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your presentation, and thank you for being here.

Ms. Andrea Bourrie: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): We have two cancellations, so we're going to move ahead, if the other presenters are here, by chance. Is anyone here from the Liberty Development Corp.?

CITY OF PICKERING

The Vice-Chair (Mr. Jagmeet Singh): Is anyone here from the city of Pickering? Would you be in a position to present, sir?

Mr. Paul Bigioni: Certainly.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. Is it Paul Bigioni—

Mr. Paul Bigioni: Yes, it is.

The Vice-Chair (Mr. Jagmeet Singh): —director of corporate services and city solicitor. Please have a seat. Sir, you have 15 minutes to present. That 15 minutes also provides time for questions, if you choose to leave any time for questions. Please begin.

Mr. Paul Bigioni: Thanks for this opportunity to speak about concerns that the city of Pickering has regarding Bill 73. I'm going to address specifically the proposed amendments in the bill concerning the Development Charges Act. My submissions today are confined primarily to proposed section 59.1.

I'm here primarily because I'm concerned about the impact that Bill 73 may have on the Seaton development area within the city of Pickering. Seaton is the largest new development area within Pickering and, in fact, one of the largest greenfield developments in all of Canada. I need to give you just a little bit of background about the scope of Seaton so that you can appreciate its importance to the city.

By the year 2021, Seaton is expected to have almost 13,000 housing units occupied by over 36,000 people. These are all new residents. In the same time period, Seaton will be home to over 7.3 million square feet of institutional, retail, commercial and other non-residential development. These numbers are expected to increase with subsequent phases of development. Seaton includes also about 800 acres of employment land, most of which is currently owned by the province of Ontario, which is presently considering the appropriate means of marketing those lands.

Seaton is, for those reasons, of tremendous importance to the city, but to put it in perspective for you, Pickering has a population of only about 94,000 people, so adding 36,000 more residents will increase our population by over a third by 2021 or shortly thereafter. So imagine, to put it in perspective, adding a million more people to the city of Toronto within that same time frame. This is radically important for the city of Pickering and for its taxpayers.

Seaton will require a massive investment in infrastructure. Roads, storm sewers, storm water management facilities, libraries, recreational facilities, parks and fire stations will all have to be built, and have all been planned for, to accommodate the influx of residents and employees in Seaton.

As required by the provincial plan for Seaton, the city has conducted a detailed fiscal impact study surveying the infrastructure demands. Based on the results of that study, the city has negotiated an agreement with the province and with the private landowners in Seaton to provide for the equitable sharing of infrastructure costs among all the parties. This agreement provides, in part, that the private landowners shall make payments to the city over and above the development charges which are payable under the act. This agreement is crucial because without it, Seaton is not fiscally viable. I need to be completely clear about this: Seaton can't proceed without this financial agreement in place, and development charges alone are manifestly insufficient for the financing of the necessary infrastructure. This is why I'm worried about Bill 73.

In its present form, Bill 73 would add a new section 59.1, which I can state very briefly will say, "A municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by this act or another act."

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This new section is dangerous because it could possibly, arguably, nullify the Seaton financial agreement, and I respectfully submit that a new section 51 must be

added to the bill or it must be entirely removed from the bill. Bill 73 may, as a result of this section, have an unanticipated consequence of stopping development in Seaton, and I can't believe that that was the legislative intent underlying the bill.

Section 59.1 is important because it purports to end, at least by necessary implication—and according to MMAH staff, it is intended to end—voluntary contribution agreements. Those are agreements between municipalities and landowners providing for payments over and above development charges under the act. The Seaton agreement is but one example of a voluntary contribution agreement. These agreements are used in situations where necessary infrastructure to support new development would be an undue burden on a municipality's tax base.

Getting down to it: The city of Pickering has three key messages which I would like to present to you regarding section 59.1:

First of all, the use of voluntary contribution agreements is at times necessary because the level of cost recovery within the act is insufficient. Pickering, therefore, asks that section 59.1 be removed from the bill or substantially amended.

Second, if the province is intent on prohibiting voluntary contribution agreements, that should only be done after an exhaustive and comprehensive review of the sufficiency of the level of cost recovery contemplated by the act itself. While the province has held certain round table discussions in connection with this bill, the agenda for those discussions has been somewhat limited, and they don't suffice to address the overall insufficiency of cost recovery under the act.

Third, if the province remains intent upon prohibiting voluntary contribution agreements, then I ask that section 59.1 of the bill be amended to clearly exempt the Seaton financial agreement.

I prepared a draft revision to section 59.1. It is included with the handouts that I've provided. My revision, if implemented, would clarify that voluntary contribution agreements entered into before the bill comes into force would remain valid and enforceable. My proposed revisions would not address the insufficiency of cost recovery under the act, but they would, at a minimum, protect Seaton from the effects of the bill.

I've submitted my revisions to Ministry of Municipal Affairs and Housing staff previously for their consideration as well.

In conclusion, I have to point out that Seaton matters a great deal to the city of Pickering, but it also matters to the province. Seaton is no ordinary subdivision development. It's a provincial plan created by the province under the Ontario Planning and Development Act.

The central Pickering development plan, as it's called, is one of only a few such plans ever created by the province. Changing Bill 73 to protect the Seaton financial agreement is not just good policy; it's necessary for the implementation of the province's own plan for Seaton.

With that, I thank you for the opportunity to speak to this important matter.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your presentation. We will begin with the third party with respect to questions. We have about two to three minutes—let's say three minutes—for each party to deliver some questions.

Mr. Hatfield from the third party.

Mr. Percy Hatfield: Thank you for coming in this afternoon. You say the city has negotiated an agreement with the province and the Seaton private landowners already, which provides for the equitable sharing of infrastructure costs among all parties. So what kind of a written signed agreement or whatever have you?

Mr. Paul Bigioni: Well, to answer your question precisely, none whatsoever, because it hasn't been signed as yet. The agreement's been fully negotiated over an extended period of months, and the parties, including the province and the landowners, are agreeable in principle to its terms. For the time being, the province is not content to execute the contract as it's working out additional infrastructure issues with the region of Durham.

Mr. Percy Hatfield: Give me some examples of what would be contained in that agreement. What other costs or payments will the private landowners be expected to make?

Mr. Paul Bigioni: It does provide, on the one hand, favourable treatment to the landowners in respect of transit in return for agreements by the landowners to construct necessary road grid within the development area. It also provides for additional monetary contributions by the landowners to be devoted to specified municipal purposes. It's all articulated within the agreement.

Mr. Percy Hatfield: Are you aware of any other such agreements in Ontario at this point that would be at an advanced stage such as this?

Mr. Paul Bigioni: I'm not personally aware of others, although I have heard speak of one in the Barrie area that is a cause of grave concern. I'm not familiar with the particulars of it, though.

Mr. Percy Hatfield: In the past, has Pickering had such agreements on other projects?

Mr. Paul Bigioni: Not in the four and a half years that I've worked for the city. Seaton is unique. In fact, the provincial plan, the CPDP, as we call it, does contemplate explicitly what it calls the equitable sharing of the financial burden associated with Seaton infrastructure. So the province's own plan did contemplate that the parties involved in the Seaton development area would review these matters and come to some sort of understanding about it.

Mr. Percy Hatfield: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. That's bang on the time. Well done, Mr. Hatfield.

Moving to the government: Mr. Thibeault?

Mr. Glenn Thibeault: I just want to thank Mr. Bigioni—did I say it correctly?

Mr. Paul Bigioni: Yes.

Mr. Glenn Thibeault: I just want to thank you for your presentation. I know your time was on a very

specific issue, so really, we don't have many questions in relation to the bill on this one, so we'll pass our time.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, sir.

Moving now to the official opposition: Mr. Hardeman?

Mr. Ernie Hardeman: Thank you very much for your presentation, particularly as it relates to section 59.1.

I guess my concern—and I did miss part of the presentation; I had to go out for a minute. As I understand it, the cost of developing the land is in fact greater than the development will bear, so you need supplemental development charges over and above what the normal charge would allow.

How do you justify that for the people who would be moving into the development who, in the end, are going to have to pay all these development charges? If you're going to have a special allotment that more can be charged to that individual house, regardless of how it was formed and how big a parcel it is, and who owned the land and what type of agreements were on it—I'm the consumer who's going to buy the house, and the house goes up twice as much there as anywhere else. How do you justify that, and what legislation would you put in place to allow that? If it's allowed on Seaton land, then it has to be allowed in other places too under similar circumstances.

Mr. Paul Bigioni: If there were no prohibition whatsoever concerning voluntary contribution agreements, then they would really just be the subject matter of negotiation between developers, landowners and the municipalities in which they seek to build.

What I would say to you concerning the equities underlying such an agreement is that we've taken great pains to ensure that the infrastructure that's more directly and entirely related to the Seaton area is more directly payable as site-specific or area-specific DCs, whereas some of the infrastructure, which is for the benefit of the existing built-up areas of the city, would affect DCs generally and is contemplated in our city-wide DC bylaw.

So we've made some effort to address that issue within the four corners of the document and within the city's development charges bylaw, which it reviews at a minimum every five years.

Mr. Ernie Hardeman: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. That completes all the questions for this round. Thank you for your presentation.

Again to check if anyone from Liberty Development Corp. is present? Seeing no response, we'll move on to the next deputation on the list.

HEMSON CONSULTING LTD.

The Vice-Chair (Mr. Jagmeet Singh): Is anyone here from Hemson Consulting Ltd? Yes? Excellent. Mr. Craig Binning, partner?

Mr. Craig Binning: Yes.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. Thank you for being here. You have 15 minutes to pro-

vide your presentation. If you choose to leave any time for questions, that will be split with the members of the committee.

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Mr. Craig Binning: Thank you very much. It's a pleasure to be before the standing committee this afternoon. I do hope to leave some time for some questions at the end.

As indicated, my name is Craig Binning. I'm the partner in charge of what we refer to as our municipal finance practice at Hemson Consulting. Hemson Consulting is a Toronto-based consulting firm. We're made up of two components: One is a land use planning component, and the other is the municipal finance practice that I head up.

Our land use planning firm may be familiar to some of you, as we are responsible for the schedules to the growth plan for the population and employment forecasts that are contained in those documents.

The area that I want to speak to today, however, is restricted to the development charges. We do development charge studies for municipalities across the province.

I myself have been active in development charges here in Ontario since 1990. I did numerous studies under the original 1989 Development Charges Act and then more so under the 1997 act. In total, I've done well over 200 development charge studies, as the managing person behind those studies. For the interests of this group, that includes municipalities such as the cities of Toronto, Brampton and Mississauga; the region of Waterloo; the cities of Kitchener and Waterloo; and, in the region of Durham, Clarington and Whitby.

We've done work for municipalities of all sizes across much of the province, and increasingly we're working with municipalities on similar pieces of legislation across the country.

In addition to that, I've been before the Ontario Municipal Board and provided expert evidence on development charges and also generally on land economics issues.

Further to my ongoing and daily professional work, for the past seven years I've taught a course, at the Ryerson School of Urban and Regional Planning, on municipal finance for planners.

That gives you a little bit of a background in terms of where we're coming from.

I have provided handouts, and I'm now on page 2.

In addition to that ongoing work, it was a pleasure that we were able to participate in the technical working groups that met over the summer on Bill 73. My senior staff and I participated in each of those, and I think they provided very meaningful dialogue from all of the interested parties.

I have read the submissions and background material prepared by groups like AMO, the MFOA and the city of Toronto—and I understand that AMO and MFOA will be before you tomorrow. Those are quite comprehensive submissions that deal with the full range of issues related to proposed reforms to the Development Charges Act.

I, however, would like to restrict my comments today to two critical components of the proposed changes; namely, the funding of transit and then the proposals related to area rating.

What I'd like to speak to first is the proposed changes to transit funding, and I would like to start that by saying we strongly support the proposed changes to transit funding. There are two components to it that I would like to refer to.

It's very good to see that the transit services will be moved into what we refer to as the 100% cost recovery services. As I'm sure committee members are aware, a number of services are only permitted to be funded at 90% of the development-related cost, and then there are some services—largely the engineered services of roads, sewer and water, and protection services—that are permitted to be funded at 100% of the development-related cost.

Interestingly—and you'll see it's a theme that comes forward—when the act was changed and regulations were modified to accommodate for the extension of the Spadina subway from the city of Toronto into the region of York, that project specifically was also permitted to be at 100% recovery. I think it's an excellent move that we're now including transit as part of that 100% cost recovery service.

Moving on to page 3 of my handout: I think the most significant change that's being proposed is how we are permitted to determine the share of transit projects that are eligible for DC funding, or development charge funding.

Under the current legislation, transit is restricted to what we refer to as the 10-year historic service level funding cap. What is being proposed is that transit services be permitted to be funded on what the legislation refers to as the planned level of service. Why this is so important is that many municipalities, in order to meet planning objectives, including those set forward by the province, require significant investment in transit above and beyond the historical practice. As we endeavour to move people out of cars and into buses and higher-order transit, we need to expand the service infrastructure beyond the historical practice. Allowing us to base this on a planned level of service will increase the opportunities to recover a greater share of the development-related cost of providing services through development charges. Through the working groups there was much discussion about this, and, really, since the release of Bill 73 there has been a great deal of discussion in those parties that are interested in development charges on what "planned level of service" means.

For me, it's relatively straightforward in that the province, when it changed the legislation and introduced regulations related to the extension of the Spadina subway from the city of Toronto into the region of York, allowed for that one particular project to be funded on a planned level of service rather than as part of the transit 10-year historical service level. That really set in place an approach that we think is quite useful and meaningful moving forward.

On page 4 of my handout, I just provide a little bit of the legislative framework for that. When regulations were introduced to allow for the funding of the Spadina subway expansion, it really did provide a definition of "planned level of service." I've included that under section 3 in the middle of page 4, where it says, "The planned level of service for the Toronto-York subway extension is complete construction and readiness for full operation." What that has effectively meant is that it allowed both the region of York and the city of Toronto to incorporate the costs associated with the Spadina subway expansion that were, from a planning perspective—capital, infrastructure and capacity-wise—related to meeting the increased needs arising from development. We were permitted to recover those costs through the development charge calculations for that project. In our opinion, that approach is easily and readily adjusted to account for all transit services and all transit projects under the proposed changes through Bill 73.

We think that there are three very distinct advantages to following forward with that approach. One is that there are precedents here. The definition is provided in the current act and it has shown, in our opinion, to be workable. To do something else differently would suggest or call into question the approach that's already been used for the Spadina extension.

Also, there's consistency there to ensure that the way in which it has been utilized in those municipalities over several years now remains consistent for the treatment of other transit projects, especially in municipalities, such as the city of Ottawa and the region of Waterloo, which are looking at higher-order transit.

Also, there's an element of fairness here. If that "planned level of service" definition and approach was deemed appropriate and acceptable for the city of Toronto and the region of York, we don't see any reason why that shouldn't be extended to other municipalities across the province.

But most importantly, I think it's important because it matches the way that municipalities plan for and deliver transit services. In order for us to achieve the aspirational planning set forth through the province in the growth plan, I think it's widely recognized that we need to provide enhanced transit services in order to achieve the densities intensification sought through those processes. To do that, we need a better mechanism to allow us to fund the development-related costs associated with the planned delivery of transit services.

I know that some of the industry will express concern about that approach and provisions, but as I set out in the final paragraph of page 5 of my handout, this doesn't negate the fact that there's a set of other tests and requirements under the Development Charges Act that we still have to go through with these projects, that will require us to determine the benefitting allocations both to existing residents and to development. There's sufficient scrutiny, stress, tension, and checks and balances in the system to ensure that we don't over-recover from development for the provision of transit services.

On page 6, I just want to touch on the second topic I'd like to address quickly, and that has to do with area rating or what we sometimes refer to as area-specific development charges. I believe it's fair to say that Hemson Consulting is recognized as being the leading consultant in the use of area-specific development charges. We have implemented some of the most complex and integrated area-specific development charge bylaws in the province, most notably in the cities of Markham and Vaughan. Based on our experience and our practice, implementing area-specific charges requires a significant amount of detailed background information, both from a planning perspective and an infrastructure financing perspective.

Our concern with the proposed changes to the act is not so much the requirement in the background study to consider area rating, but rather the provision set out in subsection 2(3) which would appear to give the ministry the opportunity to impose upon municipalities the requirement to implement area rating or area-specific charges in specific municipalities, specific areas in municipalities and for specific services. Our concern is that without understanding the local consequences of that and the local framework, and having the analysis undertaken, that could result in charges or consequences that were not anticipated through that and may not be in keeping with planning objectives.

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So as we recognize the importance of area-specific DCs and area rating in terms of achieving some of the planning objectives, we would strongly encourage that that decision be left with the local entities, the municipalities, and not be imposed upon the municipalities.

That's the end of my formal presentation.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your presentation.

We have four and a half minutes, so we'll split that over the groups. It's about a minute and a half per party. We'll begin with the government side. Ms. Mangat.

Mrs. Amrit Mangat: Thank you, Mr. Binning, for your presentation.

In your presentation, you spoke about transit to become a 100% cost-recovery service. Can you estimate how much revenue this will generate for the municipalities?

Mr. Craig Binning: I didn't come prepared with that information. Some of the work that was done through the working group through the summer did some estimates on specific municipalities. Obviously, it will result in most municipalities being able to increase their charges by 10%, even without consideration of the planned level of service. With the exception of the city of Toronto, the transit components are relatively small given the 10-year service level. Once we go through the full process, it will be easier to estimate the total capital improvement arising from that one provision.

Mrs. Amrit Mangat: How will this benefit communities?

Mr. Craig Binning: It will allow municipalities, obviously, to fund more of those costs through develop-

ment charges and place less burden on the tax base or the fare box revenues.

The Vice-Chair (Mr. Jagmeet Singh): We'll move to the official opposition. Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. Personally, I agree with the portion in there about being able to assess the objective level of service as opposed to the past 10 years.

Having said that, I think it's very important to deal with the fact that that portion that is not going to be covered by development charges for the expansion of the future is going to be covered by all the ratepayers, including those who are presently paying a high share as they buy their new house. Is there any way of dealing with it to make sure we're all being treated fairly, as opposed to the biggest burden falling upon people who are either moving from a part of the community they already paid development charges on or coming from another community and then paying upfront for their share and then paying again when everybody else pays the taxes? Is that part of a development charge bylaw that would prevent that from happening?

Mr. Craig Binning: It's a very complex question when we're dealing with multiple entities and multiple fiscal arrangements—but certainly the cost of new housing and how much it burdens through the increase in development charges. It's important to recognize that through the calculations we recognize that benefit, and certainly shares of the cost will be funded through the property tax base for transit services. However, we also recognize that when new development occurs, they are also benefiting from the investment that's already in the ground for transit infrastructure. They're benefiting from something and not paying for that directly. So their contribution to the overall tax base is operational-related, and the capital components, we feel, are balanced against the benefits they receive from past investments in the infrastructure that already existed in those communities.

The Vice-Chair (Mr. Jagmeet Singh): We'll move to the third party. Mr. Hatfield.

Mr. Percy Hatfield: Mr. Binning, thank you for being here. When you were sitting there listening to the gentleman from Pickering talk about the Seaton lands, did it occur to you that the area rating, section 2 of the act, might work in that case, that if they couldn't get provision retroactively allowing the Seaton development, the specific area rating might fit in there—that that would work just for that one specific area?

Mr. Craig Binning: Potentially, area rating could be appropriate for that. I don't think that it would address all of the concerns being raised by the representative there, because the voluntary payments and additional contributions are really dealing with elements, largely, that would not potentially be fundable under the current confines and constricts of the legislation. So just by doing something on an area rating basis would not necessarily alleviate those fiscal concerns for the municipality. Indeed, under some of the restrictions in the act, area rating can produce additional issues about funding levels.

Mr. Percy Hatfield: Just one other area: transit DCs to be based on planned level of service versus the 10-year historical. What was the biggest problem under the old way of doing it?

Mr. Craig Binning: Under the old way, or under the current way, what happens is that if you're dealing with municipalities like the region of Waterloo, the city of Mississauga or Milton, they have such a low level of existing transit infrastructure because so much of the past has been accommodated through road infrastructure. As we're moving to more mature communities and to accommodate the intensification and the need to provide additional transit, it's at a level greater than the past level of expenditure. Ultimately, we'll likely spend less on road infrastructure than we might otherwise, but because of the restriction under the transit funding, we couldn't fund sufficient levels of the capital.

The Vice-Chair (Mr. Jagmeet Singh): That completes our questions. Thank you so much for your presentation.

I just want to confirm: Do we have Environmental Defence present at this point? No? Then we'll move to the next presentation. We are running a little bit early, so that's good.

COMMUNITY ENTERPRISE NETWORK INC.

The Vice-Chair (Mr. Jagmeet Singh): I do believe that we have Community Enterprise Network Inc. present—Mr. Jeff Mole, the president. Are you prepared to provide your deputation? Yes, it looks like you are. Excellent.

Mr. Mole, you have 15 minutes to provide your presentation. If you choose to leave any time in those 15 minutes, that will be split amongst the committee members.

Mr. Jeff Mole: Good afternoon. My name is Jeff Mole, president of Community Enterprise Network Inc. Our mission is to help build the capacity to develop community enterprise in Ontario communities and give Ontario communities the tools they need to participate in public sector procurement in a way that profits will be reinvested in Ontario. We are a not-for-profit in the business of helping to achieve smart job growth for our communities.

I'm here today to speak in support of Bill 73; however, we ask the committee to consider amending the bill to achieve smart job growth for our communities. We believe the bill should amend the Broader Public Sector Accountability Act to direct the public sector to prioritize community enterprise within all procurement. In addition, government should help facilitate the mobilization of communities and financial resources for developing the capacity of community enterprise to create jobs and attract investment through the delivery of public sector services and regulated products.

In a news release on February 19, 2015, the Premier indicated that she "wants to make Ontario the leading jurisdiction in North America for social enterprise." A

community enterprise is a not-for-profit corporation that meets a need and provides benefits. Community enterprise provides an alternative to privatization of public services. This alternative offers greater value for taxpayers and ratepayers by reinvesting profits in Ontario. A community enterprise is run by a group of people who get together to develop a business that creates jobs and generates economic activity, with a view to investing any surpluses or profits for the betterment of communities. Community enterprise delivers comparable services while reinvesting surpluses in education, health care and community benefit.

The government launched a community enterprise strategy for Ontario in 2013. This strategy is the province's plan to become the number one jurisdiction in North America for businesses that have a positive social, cultural or environmental impact while generating revenue. To meet the goals of this strategy, we believe that the government needs to take a strategic look at community enterprise, so policies and funding. Those policies would revolve around government procurement. We encourage the government to have a conversation with us about our community enterprise model and to establish a community enterprise act. This act would help communities create good, quality service and manufacturing jobs.

Community enterprise can help achieve smart job growth for communities; however, there are hurdles. In our experience, mobilization and access to affordable capital are the main hurdles to building a strong community enterprise sector in Ontario. So our goal is to work with government to help overcome these hurdles by involving directors and the governance of these organizations and giving them access to the tools that they need, such as regulatory or procurement assistance, and raising funds, building membership—these are all tasks that need to take place if you're talking about mobilization of community enterprise. But all these tasks, if done correctly and efficiently, can help grow the community enterprise sector in Ontario.

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We can't do it alone. We need a government that understands the need to invest in growing the community enterprise sector, particularly for the delivery of public services. Accordingly, we would encourage the members to amend Bill 73 to help facilitate the mobilization of communities and financial resources for the developing of the capacity of the community enterprise sector in the creation of jobs and delivery of public services. Or as an alternate, we would encourage the members of this committee to bring forward their own private member's bill and call it the community enterprise act. This act would help facilitate the mobilization of communities and financial resources for developing that capacity that I spoke about, particularly around the procurement piece.

I would say to the members of the committee that trade agreements are bringing increased competition from abroad for government procurement opportunities. So now is the time to give community enterprise the adequate tools to do the job that governments have

chosen to outsource or privatize. This is a conversation that we believe is long overdue.

Mr. Chair, forgive me if my presentation seems off-topic. I did look through the bill for a specific purpose; however, I found none. So I looked to the title of the bill, which is the Smart Growth for Our Communities Act, and what I'm talking is all about community growth. In looking through the bill and hearing some of the depositions, it certainly seems that the bill is more of a house-keeping bill specifically around development charges and the Planning Act, but I see no reason why we couldn't put in other measures within the bill that revolve around apparently the objectives of the bill, which is growth related to communities. I think jobs in communities are very important for all parties at the table, and I look forward to your questions with regard to how these motions could improve the bill.

At the end of the day, we are on the verge of spending hundreds of billions of dollars of taxpayer money on services and infrastructure. I think we need to really have a conversation before we get too far along as to how we are going to get the best return on investment for the taxpayer from these procurement and privatization opportunities. I think that conversation is just not being had. I'm here today to beg and plead with you to, please, let's have a conversation about community enterprise as an alternative to privatization. Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your presentation. We'll begin now with some questions. We have about six and a half minutes, so we'll split that over the members in the committee.

We'll begin first with the official opposition, beginning with Ms. Martow.

Mrs. Gila Martow: I think that it was wonderful that you came down, not necessarily just to make a presentation, but there are a lot of developers here, and it might be a good time for you to hop out into the hall and give them your card. I think that it's not just about government acts and government regulations. Every time there are new regulations and new acts, that actually takes money away from the public, because it's another bureaucracy and another layer of red tape and complications.

When I was in Vancouver, I visited a high school friend who is part of a co-op. We don't see these things in Ontario, and I think that this is actually somebody you'd really like a lot. With social media, you don't need government getting involved. You need to get out there; this is my recommendation. Have you tried that, I guess is my question, to get a group of like-minded individuals who have some ability and some interest to go to a developer and say, "This is the kind of development we would like. We want to have businesses on the ground floor, very small, community-oriented businesses. We want to live upstairs. What kind of deal could we work out?" Have you approached? Have you thought of a project? Have you tried to present it to a developer?

Mr. Jeff Mole: Developers are a very good source for the community enterprise sector from a standpoint of community benefit agreements that may flow out of this

legislation or other legislation, or just flow out of those developers who feel a social responsibility to the communities in which they operate. That's really where we see our partnerships with developers working: those community benefit agreements. They may be looking for an avenue through which to put some resources so that the net profits from their undertaking could be funnelled back into the community. So community enterprise is one area where those areas can be funnelled.

Going to your point about the size of community enterprise, I would encourage you to try not to think small. I believe there's about a trillion dollars in government procurement opportunities out there. Community enterprise could take a good chunk of that.

There have been lots of complaints about, let's say, highway maintenance, a big problem in northern Ontario: a private sector developer coming in and not doing a good job. Community enterprise could do as good or a better job on those large-scale opportunities, but we need to have access to the resources to do that better job, and I think that provides a better return on investment for taxpayers.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. We'll have to move now to the third party. Mr. Hatfield.

Mr. Percy Hatfield: I agree with Mr. Mole: His presentation had little or nothing to do with what's in front of us today. I admire him for pushing his agenda and I encourage him to do so in other forums.

I wish I had a good question for him, but looking at the Planning Act and the development fees, I don't see anything in there that I can direct to Jeff to say, "This is how you do it."

Mr. Jeff Mole: If I could, on that, there is something. The government came out with a report recently on community hubs, where the Premier's advisory panel on community hubs was talking about how we can change various acts to ensure that community businesses can provide services to government. I think if we look to that report, you'll see that there are some Planning Act tie-ins, but it's not really the key piece of legislation that I would suggest we need.

Again, it's all about smart growth for communities. Thank you very much, Mr. Hatfield.

Mr. Percy Hatfield: I don't disagree. Chair, I would just suggest that he's a man with a thousand ideas. Somebody in government could take him to lunch someday and maybe reap some rewards from some of those ideas.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for that, Mr. Hatfield.

Moving now to the government side: Mr. Thibeault.

Mr. Glenn Thibeault: Thank you, Chair.

Mr. Jeff Mole: It's your turn again.

Mr. Glenn Thibeault: We see each other again. Thanks for coming out and thanks for your presentation. I'm quite impressed that you said you went through the entire bill, because I'm looking through it all here, and—

Mr. Jeff Mole: Sorry, I used the scanner: "Find purpose." If you hit "Find purpose," there's not too

many—then I hit “Find growth and communities,” and it really is not in there that much.

Mr. Glenn Thibeault: What I do want to commend you on is that this is an important bill. There was a lot of process, thought and time that went into it. I know we had a consultation process that went from October 2013 to January 2014 on this.

One of the things that you do and do very well is ensure that there's public engagement for us here at the committee level and for the government. Many of the things that we've put in this bill are public engagement strategies. As an individual who is engaged, how do you think—and I'd like to get your opinion on this, sir. How do you think the requirement to have public engagement strategies in municipal official plans, which this bill relates to—will that enhance public engagement, in your opinion?

Mr. Jeff Mole: Well, in my experience, everything is a proponent-driven process. A developer is a proponent of an undertaking. Quite often, they come forward with a plan, and their plan is pretty much set once they come forward. So I'm a bit of a cynic in that public consultation can be a bit of a dog-and-pony show and doesn't end up having—it gives the public a feeling that they're being listened to.

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I think the former Environmental Commissioner of Ontario would agree with me that quite often the public gets very disillusioned by the fact that they come forward with what they think are reasonable suggestions, only to have those reasonable suggestions or ideas dashed when the final report or final product comes out.

I'm all about public engagement. I know there are plenty of others like me out there who, if they felt the process worked, great, but I think there are some people out there who don't feel the process always works.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. That's all our time. Thank you for your presentation.

ENVIRONMENTAL DEFENCE

The Vice-Chair (Mr. Jagmeet Singh): Is Environmental Defence present at this point?

Ms. Susan Lloyd Swail: Yes.

The Vice-Chair (Mr. Jagmeet Singh): Excellent. I believe we have Susan Lloyd Swail, greenbelt program manager. Thank you so much for being present.

You have 15 minutes to provide your presentation. If you choose to, you could leave some time and that will allow for questions from the members of the committee, but it is up to you how you would like to spend your time. Please begin. Thank you.

Ms. Susan Lloyd Swail: Thank you. I'm pleased to be here on behalf of Environmental Defence today to speak to Bill 73. In my deputation, I will express support for many of the proposed changes to the Development Charges Act and the Planning Act and ask the committee to reconsider the reduction of the parkland dedication in the Planning Act.

First of all, we applaud the government for taking leadership on developing progressive amendments to the Planning Act and the Development Charges Act. Bill 73 allows municipalities to recover more of the growth-related costs to help our cities and towns create denser, more vibrant communities and move towards fiscal sustainability. It's time to stop subsidizing sprawling, low-density development, and we thank you for bringing this bill forward.

For too long, inadequate development charges and discounts have eroded municipal finances, leading to debt and requiring existing taxpayers to subsidize new development. Bill 73, Smart Growth for Our Communities Act, provides a development charge framework that is more accountable and transparent. Development charges are a key tool to ensuring our land use planning system promotes the efficient use of land and development patterns to support strong, livable communities. As such, Bill 73 proposes to eliminate discounts and increase the costs that municipalities can recover for transit services—an important part of smart growth.

The widespread municipal practice of average cost pricing of development charges across their entire jurisdiction, regardless of the actual marginal cost differentials of providing the infrastructure they require, subsidizes inefficient development. We are pleased that Bill 73 allows councils to pass different development charge bylaws for specific parts of the municipality which can fund these specific services. Development charges can now be used to incentivize development, like infill that has lower infrastructure costs, while discouraging more inefficient greenfield development. Municipalities may also choose to lower or eliminate development charges for farm-related buildings going forward, which is something that the OFA has been asking for.

Within the Planning Act, a number of proposed amendments to the Planning Act through Bill 73 improve transparency and recognize the importance of public engagement in land use planning, which are important steps to ensure land use planning is serving the public interest. By limiting appeals, Bill 73 will reduce the number of costly OMB appeals going forward for municipalities—something that they have been asking for.

While there are a number of progressive changes to the Planning Act and the Development Charges Act, there remain some aspects of Bill 73 that could be improved, specifically parkland dedication.

Building denser cities is a key component of smart growth, but as we intensify within our urban areas, we need to ensure that our cities are livable. Public green space and parkland clean the air and reduce climate change impacts by providing low-cost green infrastructure while providing mental health benefits, like alleviating stress. Therefore, lowering the parkland dedication from 5% to 3% may diminish the livability of our cities.

Parks provide important public health benefits, including contact to nature and reducing nature deficit disorder, thereby providing social and psychological benefits.

Social equity is also something that our parks provide. They provide accessibility to all kinds of people. Physical activity is also something that our parks provide, which helps reduce obesity. As I've said, they mitigate climate change and reduce our air and water pollution.

Parks are also public gathering spaces. As such, they are places where celebrations and cultural events take place that add to the vibrancy of our cities and attract tourism.

Economic development within our cities and towns is tied to parkland. Reducing this parkland dedication is contrary to the aim of the bill, which is creating healthy, livable communities that support local economic development.

Other key amendments to be considered include: No growth-related charges should be exempt, such as hospitals or tourism facilities—growth should pay for growth, period; eliminate the 10% deduction for all services; and require, going forward, full life-cycle costing when calculating development charges.

In summary, Environmental Defence is pleased with many of the changes to the Planning Act and the Development Charges Act. However, changes are still needed to ensure that our land use planning system encourages efficient development and requires that costly, low-density development pays its way.

We are committed, as we have been in the past, to working with the government of Ontario to find ways to build healthy, sustainable communities. We thank you for considering our proposed changes.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your deputation. We will begin first with the third party for questions. Mr. Hatfield, you have approximately three minutes for questions.

Mr. Percy Hatfield: Welcome, and thank you for being here. Why are you pulling your punches today? I see "lowering the parkland dedication from 5% to 3% may diminish the livability of our cities." Why wouldn't you say "will diminish the livability of our cities"?

Ms. Susan Lloyd Swail: You just said it.

Mr. Percy Hatfield: I know, but you pulled your punch. I don't get it.

Ms. Susan Lloyd Swail: Why did I pull my punch?

Mr. Percy Hatfield: Yes.

Ms. Susan Lloyd Swail: I don't know. I didn't work on this file to begin with, I have to say. I'm coming in at the end, so—

Mr. Percy Hatfield: You're the expert on the greenbelt.

Ms. Susan Lloyd Swail: I want everyone to get along. You guys tell me.

Mr. Percy Hatfield: I want to get along.

Ms. Susan Lloyd Swail: I think the evidence shows that it will. Shall I say that?

Mr. Percy Hatfield: Yes. Thank you very much.

You're the program manager for the greenbelts. Do you have any concerns at all that the greenbelt and the moraine and all the other studies that are under way will,

in any way, be jeopardized by anything that this committee is doing?

Ms. Susan Lloyd Swail: This committee? No, I don't. I think the work that the government is doing in smart growth communities within this bill and through the greenbelt and the growth plan review, and hopefully moving forward with the Big Move review, will all work together to help build more sustainable communities going forward.

There are some inconsistencies, I'll say, going forward with some of the other work that the province is doing, namely the GTA West highway, Highway 413, but maybe that's for another day.

Mr. Percy Hatfield: The developers who were here earlier today, if I could put words in their mouths, say, more or less, that we're already charging too much in cash in lieu for parkland dedication, and you're saying we're not charging enough.

Ms. Susan Lloyd Swail: I'm just saying leave it where it is.

Mr. Percy Hatfield: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Moving now to the government side: Ms. Mangat.

Mrs. Amrit Mangat: Thank you, Susan, for your presentation. Welcome to Queen's Park.

In your presentation, you spoke about that the proposed amendment to lower parkland dedication to 3% doesn't serve the public interest. Can you throw some light on why parklands are important to communities and the public?

Ms. Susan Lloyd Swail: Why are parklands important?

Mrs. Amrit Mangat: Yes.

Ms. Susan Lloyd Swail: I've outlined a little bit of that in my presentation, but—

Mrs. Amrit Mangat: Yes, but in detail?

Ms. Susan Lloyd Swail: Okay. I don't know if you saw the recent David Suzuki Foundation report that came out that talked about the benefits of parks and green spaces. Trees provide a really important element to our nature-deficit issues within our communities, and I think it's really important, going forward, that we not decrease our parkland and the treed areas that we have available to everybody, but that we increase those going forward. It's especially going to be important when you're increasing the density within your urban areas. So you're intensifying these communities, and people are going to need more space to get out into the environment and get out to breathe the air and to run around in the parks. It's really important, as we grow up, that we also provide those opportunities for people to get out into their parks and into public areas.

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As I've said, there's also that importance of public event space. Parks provide a very important place for people to get out and interact socially with each other. They provide places for cultural events, like Caribana on the Toronto waterfront—I think of that. Think of Queen's Park as an opportunity for public space and the

interactions that happen here. So if we decrease that, going forward, we're really disservicing our communities, lowering the opportunities for those community benefits and for those cultural and social interactions.

Mrs. Amrit Mangat: For my own clarification, who proposed that amendment?

Ms. Susan Lloyd Swail: Who proposed lowering?

Mrs. Amrit Mangat: Yes.

Ms. Susan Lloyd Swail: I believe it was the development community because of the costs associated with it.

Mrs. Amrit Mangat: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Ms. Mangat. We're now moving to the official opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much. I've got two questions. The first one is to the Planning Act. You mentioned that limiting appeals to the Ontario Municipal Board will reduce the costly appeals to the board. In rural and small-town Ontario, there is an awful lot of those appeals that are going to the municipal board that are, in fact, appeals of citizens appealing an approval of council.

Ms. Susan Lloyd Swail: Yes.

Mr. Ernie Hardeman: Do you have any concern that, in fact, it is taking away the public's right if these appeals are not allowed anymore? These people are going to have to put up with the severance that was required because council thought it was a good idea to create more assessment.

Ms. Susan Lloyd Swail: I think the bill quite clearly shows where and when you can have OMB appeals going forward, so it's limiting appeals within certain circumstances only. Large appeals of the official plan, let's say, which is a planning process that already has public consultation associated with it—you're only looking at limiting appeals where there is already a public consultation. At least, that's my understanding of the bill as I've read it.

If a citizen brings forward an OMB appeal on a certain development, that would still be permitted, in my understanding. It's official plans. It's large policies that have already gone through a public consultation process. That's my understanding. You can correct me if I'm misinterpreting it.

Mr. Ernie Hardeman: The other question is this: On page 3, you mention that no growth-related charges should be exempt at all. The bill does increase the amount that are not exempt and they're going to make the exemption, I think, easier to deal with, because they are going to be by regulation rather than by bill.

But accepting, on behalf of all the people—recognizing that every new building, every new residence built today, is a citizen of that community tomorrow, why should the people coming in pay more for things? You mention it specifically; that's why it came to mind. Why should they pay to build tourist facilities in the community and pay more than their fair share for that?

Ms. Susan Lloyd Swail: I'm not saying pay more than their fair share; I'm saying that they should be paying their fair share.

Mr. Ernie Hardeman: No, but the person who's already there hasn't paid it so far.

Ms. Susan Lloyd Swail: Oh, they're going to pay through their taxes, you can betcha.

Mr. Ernie Hardeman: Yes. They're going to come in and they're going to pay, so why should they—to me, I think we need some type of exemption that the municipalities can't just charge people at will for anything they want to build. Wouldn't you agree that we need some kind of protection for the citizens?

Ms. Susan Lloyd Swail: I don't know if they need some kind of protection. These things all have to be paid for. They're either paid through the taxes or they're paid through development charges. So "Who's paying those fees?" I think is really the question, right? And whether it goes on the backs of the existing taxpayers within that community or whether it's paid through development charges is something that the government can decide.

Mr. Ernie Hardeman: The only point I'm trying—

The Vice-Chair (Mr. Jagmeet Singh): Thank you. We've reached the three-minute mark. Sorry; my apologies for interrupting you.

Thank you very much for your presentation and thank you for answering the questions. We'll move on to the next presentation now.

FEDERATION OF RENTAL-HOUSING PROVIDERS OF ONTARIO

The Vice-Chair (Mr. Jagmeet Singh): Do we have a representative from the Federation of Rental-housing Providers of Ontario present? Yes. Excellent. Scott Andison, president and chief executive officer. Do you also have Mike Chopowick, vice-president government and—

Mr. Mike Chopowick: Mr. Chair, I'm Mike Chopowick.

The Vice-Chair (Mr. Jagmeet Singh): Oh, excellent. So Scott Andison is not present?

Mr. Mike Chopowick: Unfortunately, not.

The Vice-Chair (Mr. Jagmeet Singh): Okay, no problem.

Mr. Mike Chopowick: Mr. Chair, thank you for the opportunity to present to the committee.

The Vice-Chair (Mr. Jagmeet Singh): My pleasure. You have 15 minutes to present. Please begin.

Mr. Mike Chopowick: My name is Mike Chopowick, vice-president of the Federation of Rental-housing Providers of Ontario, otherwise known as FRPO. FRPO represents 2,200 landlords and property managers across the province who provide rental housing to 350,000 households. One in three Ontario households currently rent their homes.

FRPO supports any measure that improves transparency and accountability when it comes to the administration and operation of government initiatives. Bill 73, concerning municipal development charges, is no exception to this position.

However, we are concerned that these proposed changes will increase the existing high cost of development for rental housing in Ontario, and increase the cost of housing. Currently, and it's somewhat ironic, the Ontario government is working on developing a long-term affordable housing strategy, and yet here we are discussing development charges and excessive parkland dedication, all of which make renting an apartment less affordable for tenants in Ontario.

While development charges do help fund infrastructure, we don't believe it's fair to require residential tenants moving into a new building to pay more than their fair share for new projects. These changes, currently being considered in Bill 73, will only serve to increase the immediate cost of building new rental housing in Ontario, the type of housing that is currently badly needed to meet the growing demand of those who can't afford to purchase a home.

Development charges and municipal permit fees are already some of the highest costs incurred by rental housing developers. On average, for example, in the city of Toronto, just the lower-tier development charge averages about \$25,000 per unit. When constructing a new apartment building, development charges and taxes equal 15% of the development cost, and of course all of these charges are passed down to tenants in the form of higher rents, which makes housing less affordable for those who are most in need.

As the cost of home ownership continues to increase for Ontarians, we encourage the government to do more to support the development of purpose-built rental housing in Ontario. Right now, over 168,000 households are on the waiting list for affordable housing, and these numbers have not improved over the years. The government has concluded that the private sector can do more to build more affordable rental housing, but we can't do that under current levels of development charges.

Our members want to work with the government to increase the availability of affordable rental housing in Ontario. There is a proven example in Canada that requires little or no direct investment from the government, which we think would be an excellent template for Ontario. For example, in the city of Vancouver, in recognition of their affordable housing challenges, the private sector and the municipal government have worked in partnership to build thousands of new rental housing units. In order to reduce development costs, the city of Vancouver provided developers with relief from development charges and other incentives to make the rents more affordable for tenants.

The waiving of development charges in Vancouver for new purpose-built rental housing has been successful and resulted in the construction of over 3,700 new rental units in Vancouver since 2010, with the goal to create 5,000 new units. Ontario's private sector rental housing developers and providers are eager to work with the government on similar solutions in this province, to provide more affordable rental housing.

I thank you for your time and the opportunity to present to the committee.

The Acting Chair (Mrs. Gila Martow): Thank you for your presentation. We have between three and a half to four minutes per party.

I think we start with the government side. Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you very much for being here. It's good for you to be here today because, obviously, we want to have a good cross-representation of people making comments to the proposed Bill 73.

Just a bit of clarification, if you could enlighten us a little bit: Bill 73 proposes additional reporting requirements to increase transparency and accountability for municipal decision-making relating to development charges and parkland dedication—just your opinion on whether that would benefit the public or not.

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Mr. Mike Chopowick: Yes, absolutely. I think that's one of the aspects of the bill that we strongly support and something that was, I think, lacking before: increasing the transparency and the accountability on the part of municipal governments when it comes to development charges. That's a positive thing.

Mr. Lou Rinaldi: Good. I've still got time, I presume? So, the second question, if you could maybe just shed some light: Bill 73 proposes additional requirements, once the bill is passed. How important are these additional reporting mechanisms—once again, if the bill is passed?

Mr. Mike Chopowick: Yes, they're very important because, obviously, when my members are embarking on a new rental housing project or a new apartment building, there needs to be much stronger accountability built in to explain how development charges or whatever are imposed, if they're actually going to be a benefit to the tenants moving into that building.

Mr. Lou Rinaldi: Thank you, Chair.

The Vice-Chair (Mr. Jagmeet Singh): Thank you. No further questions from the government side?

Mr. Lou Rinaldi: No.

The Vice-Chair (Mr. Jagmeet Singh): Okay; excellent. Moving on to the opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much, Mr. Chair, and thank you, Mike, for the presentation. I just wanted to go to page 4, where you talked about there being no assurances of the development charges being used for the purposes for which they're collected. We're told that the bill contains a number of areas where we have more transparency and accountability because of the municipalities having to keep track of what they are getting and where they're going to spend it. Could you explain whether you believe that that could be strengthened or that it needs to be strengthened to get the accountability, or is there something completely new that we need to put in the bill?

Mr. Mike Chopowick: Again, just making sure there's an assurance there that, if development charges are collected from a new rental housing project, they are not used for some far-flung project that's, frankly, going to benefit existing citizens who probably should be

paying their fair share for these new projects—just to answer briefly.

Mr. Ernie Hardeman: Going on on that one, I just wanted to know this: The paragraph before that is about paying for transit from—what shall we say?—the suburbs coming in. Everybody should pay for the ability to get them to town.

Mr. Mike Chopowick: Absolutely.

Mr. Ernie Hardeman: If it's treating everybody the same, as far as increasing the cost of housing, why is that part a concern?

Mr. Mike Chopowick: Thank you, Mr. Hardeman. I think that a lot of people have latched onto this mantra of “growth should pay for growth” and taking that a little bit too literally. For example, I've met with members and leaders from all three major political parties, and everyone seems to agree that we need more affordable housing in cities and across the province. That's all part of the province growing.

All households and business should be paying equally for growth-related infrastructure, not just residents who happen to be moving into a new development, whether it be a house, a condo or a new apartment building. That's what we meant by that.

Mr. Ernie Hardeman: In the rental housing market, the number of people who are coming in when you've built a new rental building—even though not many are being built—are they generally people from outside the community or people presently living in the community who are looking for places to rent? Do people generally move into the community or are they community people?

Mr. Mike Chopowick: It's probably half and half. Probably half of the new tenants are from within the community, but remember, our biggest demographic for new rental households is actually new Canadians, immigrants from other countries. That's important to note: For 75% of immigrants to Ontario, for the first two years that they're here, they rent. Affordable rental housing is a very important part of housing choice for new Canadians.

Mr. Ernie Hardeman: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Hardeman. Moving now to the third party: Mr. Hatfield.

Mr. Percy Hatfield: Thank you, Mr. Chair. Mike, you're one of the experts on rental housing in Ontario. What's the year of the build cut-off date on a cap on rent increases?

Mr. Mike Chopowick: November 1, 1991.

Mr. Percy Hatfield: So anything built after 1991 is not subject to?

Mr. Mike Chopowick: Correct.

Mr. Percy Hatfield: So if the government chose to limit rent increases on all multi-residential rental housing, would that not help more with affordable housing?

Mr. Mike Chopowick: No. No; absolutely not. Right here we're talking about development and new apartment buildings. We can't do anything about the cost of bricks,

mortar, glass. We can't do anything about the cost of land, which is one of the biggest costs for new apartment buildings, and certainly the cost of labour and constructing them.

The biggest variable here that we can do something about that affects the cost is government-imposed charges and taxes. That would be the single biggest thing that would improve affordability for tenants, not rent control.

Mr. Percy Hatfield: I can understand your perspective on it, but I'm sure there are others out there who would say that if we want to get a handle on affordable housing, rent control is one method of doing that. With the vast number of new apartment buildings and high-rises and condos—just look around Toronto; a lot of them are built on spec. People don't only buy them to rent them out. If there was a rent-control provision in there, more people who are in desperate need of housing might be able to afford something that otherwise they wouldn't.

Mr. Mike Chopowick: The post-1991 rent control exemption for new apartment buildings is the only incentive that we have to build new rental apartments. You take that away, you won't see a single apartment building built in this province.

Mr. Percy Hatfield: That would slow things down, wouldn't it?

Mr. Mike Chopowick: It would be very bad for tenants.

Mr. Percy Hatfield: All right; thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, Mr. Hatfield. Any further questions? No?

Thank you very much for your presentation, sir.

Just an update to the committee: You'll note on your sheet of deputations at 3:45 the Liberty Development Corp. They are not attending today. They've cancelled. Just to update you on that.

At this point, I'll just quickly check: Is there anyone present from the Toronto Women's City Alliance?

Is there anyone from the city of Toronto—Jennifer Keesmaat? No.

Since we are a little bit ahead of schedule, we'll do a five-minute recess at this point to update the other deputations. Take five minutes, please.

The committee recessed from 1637 to 1647.

The Vice-Chair (Mr. Jagmeet Singh): The committee will resume now; we have a member from each of the parties present.

TORONTO WOMEN'S CITY ALLIANCE

The Vice-Chair (Mr. Jagmeet Singh): We have Kara Santokie, director of the Toronto Women's City Alliance, present. I ask Ms. Santokie to come to the front. You have 15 minutes to provide your presentation. If you do choose to leave some time, that will be used by the members of the committee to ask questions, but you are free to use your 15 minutes as you see fit. Thank you again for being here. Please begin.

Dr. Kara Santokie: Thanks for having me, Chair, and members of the committee. Good evening. My name is Kara Santokie and I'm the director of Toronto Women's City Alliance. We're an organization that works to include the voices of women and girls in policy-making at every level of government here in Canada: municipal, provincial and, indeed, federal as well. I'm here to talk about the interactions between Bill 73 and the need for affordable housing and, in particular, inclusionary zoning as part of this bill.

I'd actually like to begin by drawing your attention to the province's own housing policy statement, which I'm sure you're all familiar with, that explicitly states that its vision is "to improve access to adequate, suitable and affordable housing, and provide a solid foundation on which to secure employment, raise families and build strong communities." This is, of course, a very noble and a very worthwhile vision to have, but what I'd like to say today is that we cannot build strong communities here in Ontario and, in fact, in particular in Toronto, without changes to the Planning Act.

This bill, Bill 73, is being referred to as Smart Growth for Our Communities. Indeed, it came to the city of Toronto in that form: the Smart Growth for Our Communities Act. What I would like for us to do in my less than 15 minutes is just very, very briefly consider what "smart growth" means. If we're passing such a bill, what does it mean to have smart growth for communities?

First and foremost, smart growth means that while we can and we should, indeed, take measures on emergency housing, the longer-term vision and the longer-term policy goals should be to address that chronic and ongoing shortage of affordable housing, especially here in Toronto, because that should be our longer-term vision. We cannot do that without having some sort of mandate and allowing and/or enabling inclusionary zoning in the Planning Act for Toronto.

In terms of thinking about building both affordable and inclusive communities from the ground up for the long term, we need some sort of provision for inclusionary zoning so that "smart growth" finally means we have a vision to see that planning, in the form of the Planning Act, should actually take into account the needs of all communities in Ontario, not just in Toronto, because people live at different margins of communities, they have different income levels and they face different kinds of systemic barriers. Inclusive communities, affordable communities, need to actually take these people into account as well, and we need to address the chronic and terrible shortage of affordable housing in this city through the Planning Act.

I'm sure you're all aware—this was in the news for the entire week—that the province, and indeed this government, has set a deadline. It has given itself a 10-year deadline to end homelessness in the province. I'd like to say to you to consider that we can't end homelessness in the long term without thinking about inclusionary zoning and how the Planning Act can enable affordable housing in this province. Actually, it's in this

government's best interest to do so. Addressing long-term affordable housing is indeed a fiscally viable solution because we spend less in the long term on emergency short-term solutions; that means shelters and so on.

I'm sure other speakers have talked about this but I'll just very briefly say that inclusionary zoning creates new and affordable options for both homeowners and renters. There are a number of benefits to this. It helps to foster mixed-income communities all across Toronto, so we don't have a ghetto effect, nor do we have an exacerbation of different kinds of communities at different income levels. It helps to reduce stigma for those living on low incomes, so they're not forced into ghettos. And it gives all members of communities equal access to resources and opportunities. This, of course, demands careful and meaningful planning and a really, really strong, solid vision and leadership on the part of the government.

I'd like to leave that with you. Right now, as it stands, Bill 73 includes no provision for inclusionary zoning. I urge the committee to consider this as something that's essential for long-term growth and planning to create what we all want: those strong communities, with adequate, suitable and affordable housing. Thank you. I'm happy to take any questions if there's time.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your presentation. We'll begin with the opposition. Who would like to begin? Ms. Martow?

Mrs. Gila Martow: I think we all agree that we want to help people as much as possible. I was just talking to a developer who mentioned a specific single mother who went back to school and got a good career going and has a decent job and one child. She's paying more in the section of mortgage to cover her development fees than she's paying for child care.

In terms of what you're proposing—I'm just wondering how it would work. That woman is somebody you would want to help, is what I'm guessing. How would you go about that? If you would lower her development fees, are you expecting everybody else to make up the difference? A lot of times, somebody middle-income can't afford—they're a middle-income person—to buy something if it means they're subsidizing lower-income. They could maybe afford it if they were just paying their share, but if they have to cover somebody else's share, it's a challenge. So how would that work, in your mind?

Dr. Kara Santokie: It actually goes to before that, at the level of actually giving licences in terms of planning communities. Correct me if I'm wrong, but what you're describing is a scenario where a building already exists.

Mrs. Gila Martow: No, it's being built and they're selling it before it's being built—you know, condos.

Dr. Kara Santokie: I think this is something that needs to be worked out at the municipal level, actually, because changes can't happen at the level of a municipality without some sort of legislative change at the provincial level. So if municipalities were given the chance to give incentives to developers to create new forms of housing, then hopefully there shouldn't be that effect, where this cost is passed on to middle-income earners or even high-income earners.

Mrs. Gila Martow: It has to be passed on to somebody is what I'm saying, I guess. We have a lot of programs in place already in terms of subsidized daycare. The income tax is all scaled. If we start basically having a scale of development fees, I see that as being challenging for the middle-income people. I'm going to leave it at that, unless there's something you want to add—or my colleague. I'll pass it on.

Mr. Ernie Hardeman: I guess—

The Vice-Chair (Mr. Jagmeet Singh): Thirty seconds.

Mr. Ernie Hardeman: The question is that when we look at this bill and the development charges, do you see it affecting your needs as providing transitional housing and so forth—special-needs housing; let's say it that way. Do you see that there should be an exemption for that type of housing to facilitate building these stronger communities?

Dr. Kara Santokie: I think there could be exemptions, to begin with. Your colleague made mention of that. We have in place these structures; for example, subsidized child care. Bearing in mind that we have long, long wait-lists for both things in this province, both child care and chronic housing shortages—so that's two things; right? In fact, three things: It's emergency housing, it's repairs to existing stock of affordable housing and it's the creation of new housing. So you're sort of having to tackle this problem at three different levels. If that indeed means that we need some exemptions, at least to stem or alleviate that problem, then so be it. There are more than 18,000 people waiting for subsidized child care.

Mr. Ernie Hardeman: Thank you very much.

The Vice-Chair (Mr. Jagmeet Singh): Thank you, sir. We'll move now to Mr. Hatfield.

Mr. Percy Hatfield: Good afternoon, Ms. Santokie. Thank you for coming in. Within just the city of Toronto itself, not the other hundreds of providers of affordable housing, they provide more affordable housing than the entire population of Prince Edward Island. There are more people on the waiting list for affordable housing with the city of Toronto than the entire population of Prince Edward Island. We talk about inclusionary zoning.

One of the government members who was here earlier today, Mr. Milczyn from Etobicoke-Lakeshore, has private member's Bill 39 calling for inclusionary zoning. We have asked the government—

Dr. Kara Santokie: Peter Milczyn?

Mr. Percy Hatfield: Yes. We have asked for his private member's bill wording to be included in this bill, and perhaps at some point the government will make those recommendations. But what is for you the importance of inclusionary zoning? What would that do to the housing crisis in Toronto alone?

Dr. Kara Santokie: For the housing crisis in Toronto alone, I'll answer that question by relating our experiences of talking to many, many women, because we work on this issue quite extensively with regard to poverty reduction strategies, and mostly with the city of Toronto's poverty reduction strategy. This is hundreds of

women I'm talking about here who talk about unaffordable housing as being a huge barrier to them providing for their families, because they can't afford rents. Private rental is very expensive in Toronto. Something like owning property is beyond their wildest dreams. This is not something they consider themselves being able to do in their lifetime.

So when you add to that the necessity of working in minimum wage jobs—more women are more likely to be in minimum wage jobs; they're more likely to be precariously employed—you come up with this package of life precarity. That's very hard to tackle.

Now, in thinking about building communities where these people can have the chance at being able to afford even a decent rental apartment that's within their means, so that they have adequate income left over to take care of their other needs, then that's what I see as real progress in terms of addressing housing, because we can't address housing without thinking about people's entire lives.

1700

Mr. Percy Hatfield: It's going to take an enormous amount of money to repair the existing housing stock just within the city of Toronto's portfolio. They can't do it alone; they need help from the senior orders of government. Should there be something in this bill that would put some kind of provision in there to raise money for such things as renovations to existing subsidized housing stock?

Dr. Kara Santokie: I would say so, because I'm not asking for a fairy tale. What we're asking for is to say that, "Yes, we absolutely acknowledge that neither the municipal government nor indeed the provincial government can do this alone." You do need help from the federal level; absolutely. We need a federal partner in this.

However, we also need for the government to show that interest and put pressure on the incoming partner that we now are fortunate to have, to say that this is something we need. It's not going to happen without that political will. We need that dedicated political will at both lower levels of government in order to get the federal government to step in and help with this issue in the largest city in Canada.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. Moving to the government side: Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you, Chair. Thank you, Ms. Santokie. Obviously your passion is inclusionary zoning. Your submission was all around inclusionary zoning, which, you're right, Bill 73 does not touch.

Just to address the issues that you bring forward, I'm not sure if you're aware that through the Long-Term Affordable Housing Strategy, we're dealing with issues like inclusionary housing submissions. The minister is in the midst of that engagement right now, outside of this. That's really dealing with long-term affordable housing.

Do you know whether you or your group has made a submission to the Long-Term Affordable Housing Strategy? Really, it's good that you're here today for a

dialogue with us; that's important and we appreciate it, but that's the venue where those things are being addressed as we speak—or being listened to.

Dr. Kara Santokie: I understand what you're asking. Yes, we have spoken with Minister McMeekin's office. I can't say that we got a sense that this was something that was being seriously considered as part of that long-term strategy. That's the first thing I'll say in response.

The second thing I'll say in response for all members of the committee is that what happens now in Toronto in terms of development and thinking about new developments is that the municipal government can only ask in an ad hoc way and give incentives for affordable housing because they don't have the legislative mandate in the City of Toronto Act to enable this.

Maybe in previous decades that was fine because everything wasn't so horribly expensive. I can't afford a house in Toronto. Considering that I, as a professional woman with a PhD, cannot think about affording a house in Toronto, what does that say for all the other people who cannot be here to speak today and who don't have that voice?

So while I appreciate the Long-Term Affordable Housing Strategy, we actually need this change put down in law because it reflects the time that we live in in this society, which is becoming increasingly polarized because of the lack of affordable housing options.

Mr. Lou Rinaldi: Yes, and not to repeat it, but what I'm saying is that you did speak to the minister's office—we're right now at an input stage. We're listening to people's comments and concerns like yours. Obviously, no decisions have been made. Before the inception of Bill 73, there was a lot of input from all the stakeholders before the piece of legislation that we're in the process of talking about today was even put together. So my reference to you was that I hope that you've made a submission and I hope you spoke to the—because that's the stage that we're in.

Dr. Kara Santokie: Yes.

Mr. Lou Rinaldi: And of course, affordable housing is a big issue. I appreciate the circumstances in Toronto, as a former Torontonian—they're real. But even in small communities—sometimes in small communities it's not as visible as it is in large urban centres, and we understand that. So I think it's something that—

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. Sorry. We've run out. Thank you very much, Mr. Rinaldi. Appreciate it.

Thank you for your presentation today.

LIBERTY DEVELOPMENT CORP.

The Vice-Chair (Mr. Jagmeet Singh): We actually have Liberty Development Corp. and counsel Marco Filice present now. Please take your seat, sir. Welcome. Thank you for taking the time to be here.

Mr. Marco Filice: Thank you. My apologies for being tardy. I was speaking at a conference for the Urban Land Institute downtown.

The Vice-Chair (Mr. Jagmeet Singh): Not at all. I was about to explain that, but thank you for providing the explanation. Excellent. You have 15 minutes to present. Please begin now.

Mr. Marco Filice: I'll be very brief. I'd like to give a one-minute background about our organization and what we do, and I'd like to speak for one or two minutes about one of the proposed changes to the legislation.

Our organization primarily develops mixed-use condominium developments, mostly in the 905—Vaughan, Richmond Hill and Markham. We do have some Toronto projects. Since the legislation called Places to Grow has come into existence, we've embraced the legislation by trying to respond to it and build a development that is sought after by the province of Ontario, which as you know is to build office and residential in the same complex. We have a development that's at Yonge and Steeles called World on Yonge. It's one of the larger developments constructed in the past couple of years. It has almost 1,200 apartments, but it's also mixed in with a 20-storey office building, hotel and retail. So it provides what a lot of us see here downtown to the suburban area, which is not a very common sight.

The advantage of doing that basically allows us to comply with the financial revenue tool that's in Places to Grow. It allows the municipality to receive the coupon, which is an increased assessment from the office product. As we know, generally the non-residential component of any real estate development is taxed at a higher premium than a residential development. So if we plant a tree such as an office building, the municipality, the region and the province will all gain increased tax revenue from that tool. They can take the fruit off that tree for many years to come and use the fruit as revenue to provide further infrastructure upgrades to the municipality in the local jurisdiction where it's created.

As an example of the amount of money that can be generated for taxes for municipalities, that project has provided over \$52 million as a stand-alone project to what we call government and post charges. There's a large spinoff of tax revenue coming from these types of developments that are complying with Places to Grow. But since that project has developed, the burdens have increased substantially in terms of the pressures placed on developers to provide products that are required by Places to Grow. For example, when we started the project, government-imposed charges equated to about \$0.08 or \$0.09 per dollar of sales. Currently, they're up to \$0.27. There was a 350% increase in government-imposed taxes over a 10-year period. When people talk about affordability, it's not the developer increasing the price; it's not the developer making more money; it's an increased amount of taxes being flowed through your purchase price to an end user or a consumer. I could give you an analogy and say, for example, why don't we keep the purchase price and the construction costs the same, but when a new resident enters their new city, the mayor or the city councillor can send them a tax invoice and say, "Okay, here's the cost of your new bridges, your

roads, your schools and parks"? That new customer will get a bill for about \$60,000, something that may not be palatable in the business. Therefore, a lot of developments now have these charges imposed by governments upon them.

In terms of the section that I'd like to speak to, you've proposed a change here under section 42 of the Planning Act that has to do with parkland levies. Again, this is an item that's levied on a developer and ends up being in the purchase price that a consumer ends up paying. What we've seen in recent years is, a consumer never ends up seeing the fruits of that tax. We have one development where we paid over \$6.4 million in parkland development levies at about \$10,000 a unit, and none of those 640 new residents in that jurisdiction have seen one square inch of new parkland. There are levies being placed on new home owners, who end up getting burdened with increased mortgage costs and increased tax-on-tax costs and never see the results of what those government-imposed charges are for.

1710

The one recommendation that I'd make in terms of the statute that you're proposing to change is that it appears you're attempting to address some of that by alleviating the maximum penalty under section 42, by modifying the formula of one hectare per 300 units to one hectare per 500 units. The recommendation I'd like to make is to make sure that the language in there does not say "one hectare for each 500 dwelling units." It should say "up to one hectare for each 500 dwelling units." The reason is that the formula as prescribed in 6.0.1 requires the municipality to take two steps to activate a reduction in the maximum parkland penalty under section 42 of the Planning Act. It requires the municipality to have a specific bylaw that addresses an alternative parkland rate and it requires the municipality to provide an opportunity not to comply with the legislation.

I'll give you an example: Under the Planning Act which currently exists, you have a section called 42(6.3). That permits someone who's in compliance with Places to Grow to receive a reduction on government-imposed charges such as parkland levies, if they comply with the tenets of Places to Grow; for example, if you provide bicycle parking, you provide a green roof, you provide transit-oriented development, you provide a mix of uses, such as office with residential. Although the Planning Act does provide permission for a lesser amount of government-imposed charges on a development, for the lower-tier municipality in Ontario, as far as I'm aware, based on my letters to the Ministry of Municipal Affairs and Housing, there's not one entity that has invoked that policy in their official plan to provide that lesser rate.

So, although we are providing the changes proposed here, I'm not certain whether the lower-tier municipalities will invoke the permissions to lower some of the penalties that are punitive. My concern is for the exact language as prescribed. It says one hectare "for each 300"; it should say "up to," so that it's abundantly clear for any staff person of a municipality or any person who

works in a senior management position of any municipality or an upper-tier municipality to read the legislation with the intention that there's an automatic discretion, that if you have a project that achieves the goals of Places to Grow and the intention of the Planning Act to make sure that housing is affordable, and that costs are not passed through which will not end up in new infrastructure in your jurisdiction, you do not get penalized with the maximum rate under section 42 of the Planning Act. The discretion should be drafted in, to say "up to" one hectare per 300 units and "up to" one hectare per 500 units.

Another issue with the clause is—not so much with the clause, but we need to be aware of the structures of the development regime which the developers operate to provide housing and new job opportunities and retail and office locations for consumers in the province. We have one ministry which is in charge of municipal affairs and housing, which governs the Planning Act. We have another ministry called infrastructure, which governs Places to Grow. Places to Grow sets the goals for the next 25 years and says we have to intensify, but it doesn't provide any financial tools. Then we have the Planning Act, which gives us the permit permissions, but it also doesn't have the financial tools to allow Places to Grow to be achieved. So we have two ministries, both in charge of the face of development and what the future should look like, but they don't speak to each other in terms of providing the best financial tool kit for people in this province to have so we have affordable housing and we have the mix of uses that we desire.

As a proposal, there should be regulation under the Places to Grow legislation that provides that if you achieve the goals of Places to Grow, you should get an automatic reduction on your government-imposed charges under the Planning Act. So if the Ministry of Municipal Affairs and Housing doesn't want to make any changes to the Planning Act, the Minister of Infrastructure should pass regulation under his or her authority to ensure that if you do achieve the Places to Grow goals, you get the corresponding reduction. If I provide a green roof and I provide bicycle parking and I provide a transit-oriented development and I provide an office building on my residential lands, why should I be paying the same rate as someone who doesn't comply with Places to Grow?

Those are two points that I would suggest to the committee. One is the drafting language, to make sure that the language in 6.0.1 is not written as a maximum penalty but "up to" one hectare, so that the discretion is drafted into the legislation, so that no staff person and no person of authority at a lower- or upper-tier municipality can use it as a tool to say we have to pass a bylaw first.

Secondly, I would recommend that the Minister of Infrastructure be invited to speak to this proposed bill, and speak to whether regulation can or should be passed under Places to Grow legislation to provide the corresponding tool set that is missing since the legislation was passed nine years ago.

Those are my comments for the committee.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your presentation and for your deputation. We'll begin first with the third party. Mr. Hatfield.

Mr. Percy Hatfield: Mr. Chair. Welcome and thank you for being here. I believe there was an article last year, maybe in Spacing magazine, that said the city of Toronto had an unused reserve fund of \$248 million for parkland dedication. You cited a case where \$6 million or \$8 million was taken and no parkland was developed in the area that you were developing in. The cost of developing in that neighbourhood: What would be the cost of one hectare of parkland, just to buy something up and put just one hectare in there?

Mr. Marco Filice: The answer to that question is very elementary. At the time the municipality puts in the permissions on its block planning—let's say it develops a block 1,000 acres at a time—the municipality has the authority to buy banks of land for its own parkland.

Currently, for example, if you have a subdivision—a 1,000-acre block—the municipality only takes 5%, which is required under section 51 of the Planning Act. But the mayor has the authority to go buy 10% or 15% at the lower dollar value before everybody piles on. If the municipality were regulated by the Places to Grow Act, municipal affairs and housing could say, "Okay, you have to land-bank for your own community. In the future, there will be higher densities. You should be going out and getting more than the 5% you're entitled to under the statute. Why don't you go buy 10%? You can be a developer and go buy 10% of the land to hold for future generations." Don't wait for the land price to get so high that you can't afford it and have to charge people \$10,000 a unit. This is the problem. There's one jurisdiction that's short 370 acres of parkland, and the only way to catch it up is to charge some of the high-rise people these large amounts of money to catch up with the current rates of land prices.

Mr. Percy Hatfield: I think of New York City and Central Park—not that I've been there all that often—but I would assume that a large swath of the people in the greater New York area have access to it and might make use of it. If they don't have access to parkland in your direct neighbourhood, is there any parkland available in the surrounding area that they can make use of?

Mr. Marco Filice: The answer is yes to both. We provide on-site amenities. We've actually tried to convince the jurisdiction—which is permitted under the Planning Act, as I've said—to give us credit for green roofs. Every building we've done for the past eight years has a green roof on it, and we can provide public access. The local municipality did not provide credits for green roofs against the parkland charge, number one. Secondly, yes, there are large local or regional parks, just like you would go to any conservation-area park, that are available for anybody in the community—or a provincial park, such as Algonquin.

The point is, it's not fruitful to collect money where you're not going to spend it in the jurisdiction where it is collected. If you say you're going to collect \$10,000 from

every unit owner for a park that's nearby for an owner to use, then you should show where you're going to spend the money. Otherwise, you shouldn't collect the money.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much, sir. We've run out of time for this round. We'll move now to the government side: Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you, Mr. Filice, for being here today. Just really a correction for the record of a couple of statements, Mr. Filice, and I just say that for knowledge: The growth plan is under the Ministry of Municipal Affairs and Housing; it's not under infrastructure. As a matter of fact, it's at the back end of a four-plan review—the growth plan, the greenbelt, the Oak Ridges moraine and the Niagara Escarpment—under the same ministry, the Ministry of Municipal Affairs and Housing. So there has been a consolidation so that we get more of a—hopefully after the review is complete; I don't want to predict what the outcome is, but it's really to streamline one of the things that you were asking for.

I think Ms. Mangat has a question.

The Vice-Chair (Mr. Jagmeet Singh): Ms. Mangat?

Mrs. Amrit Mangat: Welcome to Queen's Park. I understand that Bill 73 proposes additional municipal requirements. Can you share with the members of this committee why they are important?

Mr. Marco Filice: Are you asking me about the other sections of the proposed bill, or specifically section 42?

Mrs. Amrit Mangat: Yes. The proposed bill.

Mr. Marco Filice: My unofficial, personal interpretation of the changes being made: I read some of the proposed changes being made as administrative in nature to help facilitate development at the municipal level, to reduce the number of appeals or at least scope them out at the beginning when appeals are made, for example—some of the earlier changes to the legislation.

At the end of the day, the purpose of everything we do, both at Queen's Park and as private developers, is to make sure that future generations are taken care of and we maintain the prosperity of this province. Where there are disconnects, it's important for us to make those statements. Both of us have to work together to make sure people can afford houses, not just today, but five and 10 years from now.

Mrs. Amrit Mangat: Thank you.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. Moving now to the official opposition, I believe it's Ms. Martow.

Mrs. Gila Martow: Thank you so much for coming in. You mentioned World on Yonge, which is in my riding. I think it was very challenging for a lot of people who watched the project not to see the Yonge subway being expanded, as has been promised for, I would say, close to 30 years, off and on, by different governments.

I just wanted you to share your thoughts on what can be done by this government to ensure that transit dollars are put to the best use in terms of getting people on the transit—subways versus bus lanes—and how it would help development.

1720

Mr. Mario Filice: Currently—yes, the subway was approved for an EA fast track during the Liberal government, until it was put into purgatory. But the lack of subway expansion in the GTA is the single greatest deficit that my generation could have experienced. It causes me worries for my kids and where they're going to be employed and where they're going to live.

To the extent that we need to re-designate or redirect part of our \$120-billion-a-year budget, 90% of which is spent on two ministries, we need to identify how we can redirect monies back into the neighbourhood where it's needed for transit and where it's going to be an investment for future generations.

There's no shortage of taxes being generated. World on Yonge generates over \$10,000 a day in new taxes. Had that project not been brought forward by the developers and created 300 daily jobs—it was like a mini-factory for three years. Had we not done that project to allow over 1,000 people in jobs per hectare, well above the Places to Grow deadline, 25 years ahead of schedule, the jurisdiction of the local, regional and provincial governments would not be getting \$10,000 a day in new taxes.

By the way, there are over 100,000 square feet of office building there. Out of every dollar collected for taxes for the offices, 67 cents goes to the Ministry of Education. So you can just do the math on how much money is generated. Do we need 67 cents from every dollar to the Ministry of Education? Maybe not. Can we redirect some of it to transit? Of course we can. Does it take courage to make that decision? Absolutely.

That's the job of the people in this building: to look not at what's going to happen to them in one year or four years, but to look at their children's future and their grandchildren's future and make the difficult decisions today that people made 150 years ago, 100 years ago and 50 years ago to make sure that we have the proper investments so that our future generations can have a great environment, excellent transit and a future for future jobs.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. That completes our time.

Mrs. Gila Martow: Sorry; I want to make one last quick comment.

The Vice-Chair (Mr. Jagmeet Singh): You can make it, I guess, to complete the time.

Mrs. Gila Martow: Getting some of the bus lanes that are being proposed put towards the Yonge subway expansion: Would you find that favourable?

Mr. Mario Filice: The province should be full steam ahead in terms of putting in as many subway lines as they can in this province.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. Thank you, sir, for your presentation.

Mr. Mario Filice: Thank you for your time.

CITY OF TORONTO

The Vice-Chair (Mr. Jagmeet Singh): I believe that our last deputation will be from the city of Toronto. We

have Jennifer Keesmaat, chief planner and executive director for city planning. Thank you very much for being here. You have 15 minutes to provide your presentation. Please begin.

Ms. Jennifer Keesmaat: Good afternoon. I would like to thank the committee, on behalf of the city of Toronto, for the opportunity to appear before you. Through Bill 73, I believe that the province is introducing a number of amendments that would allow for greater civic engagement in how their communities grow and provide municipalities with more certainty over planning approval and outcomes and more opportunities, specifically, to resolve disputes that come before the Ontario Municipal Board.

I am here today, primarily, to express the city's support for Bill 73 and to request some specific changes of the committee to better reflect Toronto's land use planning needs, priorities and practices, in the context of provincial objectives to create healthy, sustainable and complete communities. Before I begin, I would also like to congratulate Premier Kathleen Wynne and Minister Ted McMeekin for their leadership in recognizing the need to ensure that the Planning Act remains responsive to the engaging and evolving needs of our communities.

Bill 73 embodies some positive changes to the Planning Act. In particular, I would strongly support the proposed changes to the Planning Act that follow:

- removing the mandatory five-year review period for employment lands, which has had the unintended consequence of precipitating more conversion of employment lands;

- limiting minor variances for privately initiated zoning bylaw amendments prior to the second anniversary of the day on which the bylaw was amended;

- prohibiting amendments to development-permit system-initiated official plan policies and related development permit bylaws for a five-year period;

- providing legislative authority to make official plan policies regarding procedures for permitting alternative notice measures for informing the public for a wide number of planning applications;

- proposing a 90-day voluntary time-out period before official plan, official plan amendment and zoning bylaw appeals proceed to the Ontario Municipal Board; and lastly,

- strengthening section 37 density bonusing and park-land dedication system provisions to make them more predictable, accountable and transparent.

Now, I recognize that a number of the proposed amendments are intended to ensure that city-council-approved policies are better protected and that in fact there is better citizen engagement. However, while many of these policies might in fact be well-intended in the context of Bill 73, they have unintended consequences in the city of Toronto context, because of our complexity, because of our governance system and because of the unabated and unique development pressures that we have in the city of Toronto. The reality is that the city of Toronto needs a differentiated approach.

I understand that the amendments were proposed to be global and to apply to the entire province, but as you can appreciate, a municipality of 20,000—or even 200,000—people has a very different planning context than we have in a city of 2.8 million people that is adding a municipality the size of Collingwood every six months. That's what we do in the city of Toronto; that's the amount of growth that we in fact see. So what I would like to do is propose some amendments that are intended to respond to some of the recommendations in Bill 73 that I think would in fact slow down the development approval process but will also have significant cost implications and, quite frankly, are inherently problematic in a city of the scale and magnitude of the city of Toronto.

The first relates to the content of notice of a council decision. Of course, in the bill it is proposed that the decision and the reason for the decision needs to be posted, but you can appreciate that in the city of Toronto often council makes a decision and there might be 10 different reasons why the councillors around the table vote the way they do. How do we in fact document that decision? Given that we have a very transparent reporting process, whereby we write written reports on every application and we have the input from the public in those reports, you can appreciate that with the volume of applications that we have—literally thousands and thousands on an annual basis—to be writing a notice of decision would involve an incredibly onerous process: going back to councillors and talking to them about why they voted the way they did.

We would like to suggest that we need some legislative flexibility that would enable us to examine alternative ways to communicate any new information proposed by Bill 73 to include an explanation with respect to the notice of decision. In a much smaller municipality, where there might be maybe 20 or 30 or maybe even 100 decisions a year, that might be a possible requirement. Given the volume of decisions we have on an annual basis, it simply wouldn't be possible.

The second area where I would like to request legislative flexibility and the opportunity to examine alternative ways is with respect to planning advisory models. Whereas there is a recommendation in the context of Bill 73 for a council body that would in fact provide advice on planning matters, given the unique governance structure that we have at the city of Toronto, where we have a planning and growth committee that is a committee of council that in fact hears deputations, to have an advisory body reporting directly to council would in fact be problematic in a variety of different ways. Rather, just as we have currently created a planning advisory committee that is drawn from a lottery of residents across the city, we would ask for some legislative flexibility to recognize the volume of planning applications that we have in the context of the city of Toronto.

With respect to restricting the flow of official plan amendments to the Ontario Municipal Board, we would request a broadening of the “no global appeal” provisions in Bill 73 of new official plans only to also capture those

instances where an existing official plan is being updated through thematic policy reviews, or where council adopted a secondary plan. I have a few suggestions that I'll make with respect to this.

Just to give you an example, whereas a smaller municipality, even a municipality like London, Ontario, may spend a couple of years and write a new official plan, we spend a couple of years and, given the vastness of the city and the number of constituents that we might consult with and the complexity of issues we need to deal with, it takes us a couple of years just to update our heritage policies, let alone rewriting the entire official plan. Rewriting the entire official plan is not something that we anticipate in the near future. We will continue on a model of updated thematic reviews. As a result, we would like to see “no global appeals” in fact extended to thematic reviews as well.

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When we've gone through an extensive consultation process to update our official plan and we've consulted thousands and thousands of residents, it's quite disheartening that one resident or a few developers can then turn and appeal that at the OMB when we've been through an extensive process and it has been supported by city council. So we would request a reconsideration of “no right of appeal.”

We would also like to see an extension of the statutory review period for all official plans, amending the official plan review period in Bill 73 for all official plans, both existing and new, to 10 years. The situation we're in right now is that we're in a constant process of official plan review. We're never done because we get it reviewed and, because of the legislative requirement, we have to begin again. A 10-year period would give us somewhat of a breathing room in order to get on with the work of implementing the official plan.

I would also like to raise some comments with respect to outcomes related to bringing municipal official plans into conformity with official plans. Currently, when we are required by the province to update our official plan, that can then be appealed at the Ontario Municipal Board. We would like to see a provision whereby when we are bringing our official plan into conformity with official policies, other parties can then not appeal that review. That seems like an incredibly circular process, and we end up perpetually at the Ontario Municipal Board instead of focusing on the important city-building work that we need to do.

I would also like to raise some key points with respect to extending time frames for council to review official plan amendments, extending the planning application process time frames in the Planning Act before municipal failure-to-proceed appeals can be made for official plans in all official plan amendment applications from 180 to 240 days.

We aren't developing greenfield sites in the city of Toronto; every site has adjacent neighbours, heritage buildings or below-grade infrastructure. The buildings we build are incredibly complex. We need more time to be

doing a good job of ensuring that we're getting the best city-building outcomes, but the threat of appeal at the Ontario Municipal Board often forces us into a negotiating or a settlement position when really there is still important work to be done.

We would also like to propose the consideration of expanding the freeze period on certain types of C of A applications by further amending Bill 73 to expand the freeze period for allowing minor variance applications from the second to the third anniversary date on which a privately initiated zoning bylaw was amended.

We recognize the rights of an applicant to make an application. However, there should be a prescribed period of time following a rezoning during which minor variance applications cannot be made unless they are truly technical or housekeeping in nature, in order to allow the outcome of the rezoning process and agreements to settle in and to begin to take hold in reshaping a community. Otherwise, we put a rezoning in place and, before we're fully implementing that rezoning, amendments are being made to it and we end up in this situation of perpetual and constant change.

I would also like to say, just as a closing point, that there are a number of recommendations related to Planning Act reform previously identified by the city of Toronto that were not addressed in the context of Bill 73. These matters continue to be important for the city. They were submitted in written deputations by the city. We hope that there will continue to be refinements to the land use planning and appeals process in Ontario as we move forward and implement the changes that have been identified in Bill 73.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much for your presentation. We have a couple of minutes for questions. I think it will work out to one minute per party. We'll begin with the government side. Mr. Rinaldi, please begin.

Mr. Lou Rinaldi: Thank you very much for being here—a very thoughtful presentation. I'm just trying to keep up with notes, but I'll visit Hansard at the end of the session.

I don't have much time, I guess. One minute, so I'll make it quick. The fact of eliminating the review of employment lands every five years: How important is that to the city of Toronto, or is it?

Ms. Jennifer Keesmaat: This is critical to the city of Toronto for a very simple reason, and that is that we are at risk, given the incredible development pressure we see and the opportunity to put a condo pretty much anywhere, as you can see in the city, that we will in fact lose critical employment lands that are important to sustaining a robust and diverse economy in the city.

Given the land economics, there is incredible pressure to convert those lands to condos, particularly by the owners. Protecting those lands and pushing back against that market pressure to convert to condos is very important to the diversity of the economy in the city and keeping critical jobs in this city. So it's very important that we in fact have a strong policy framework, and the

extent to which we can keep that policy framework static in a rapidly changing environment will protect jobs in this city.

The Vice-Chair (Mr. Jagmeet Singh): Thank you very much. Thank you, sir.

Now moving to Mr. Hardeman from the official opposition.

Mr. Ernie Hardeman: Thank you very much for your presentation. I agree with most of the issues as you relayed them. I don't represent the city of Toronto, and obviously planning is different in my community, but it's not as different as one might think, and I agree with most of your suggestions.

The one that I've heard a lot of concern about from the development industry particularly is the freeze on the change to minor variances for two years. When you're going through the process and you're putting up the building and you need to have a minor variance adjusted by two feet, it doesn't make sense to shut the project down for two years waiting for you to be allowed to apply.

Particularly in Toronto where it's much more elaborate, it's very difficult to find a way to get the city's position on approving a minor variance that you're not allowed to apply for, because it can be initiated by the city, but how would you get the city of Toronto to initiate changing the setback by one foot because they can't quite make it the way it is?

If it's a minor variance, it's not going to make a big difference. So it would seem to me that that was one area we should be looking at, broadening it and shortening that time rather than your suggestion that we're going to increase it.

The Vice-Chair (Mr. Jagmeet Singh): That was the entire minute that's given to the party, so it doesn't really allow you time to respond. Given the fact that we are running a little bit ahead of schedule, perhaps you can quickly respond to that question.

Ms. Jennifer Keesmaat: Thank you very much. We do not have a challenge in the city of Toronto with planning policy holding up development. This is a very important point. We see more committee of adjustment activity than probably every other municipality in Ontario combined. Thousands and thousands of applications are processed across the city on an annual basis. So I'm not even remotely concerned that this change would in fact constrain new development or change projects.

What it would do, however, would be to give us the breathing room to actually assess the change that is taking place in communities to ensure that the character of neighbourhoods is protected, and that in fact at this point in time is a bigger concern. Change is happening so rapidly that we don't yet see the way it's transforming communities as that changing growth is happening. So I have no concerns about slowing down change at the committee of adjustment as a result of this recommendation.

The Vice-Chair (Mr. Jagmeet Singh): Now moving to the third party: Mr. Hatfield.

Mr. Percy Hatfield: I'm from Windsor, so \$248 million in a reserve fund for parkland is a lot of money. I can understand in Toronto maybe not so much. What is the council's plan—on a parks master plan, what can you do with \$248 million? We heard from the developers that they are charged a lot of money but don't get parkland in return.

Ms. Jennifer Keesmaat: It's very important to know that the article that you're referring to is quite misleading, in part because, as you can appreciate, we collect money from a whole series of projects in order to plan for larger parks in the downtown area, and \$248 million is a drop in a bucket in the downtown context. All of that money is allocated. Our challenge in the downtown is that, given land values, we cannot collect enough money to be able to create a park of a significant scale that we need.

We have an exercise under way right now called TOcore wherein we are creating an acquisition strategy

as well as a master plan for parkland. The biggest challenge to implementing that plan is that we simply cannot collect enough money to compensate for the value of land and the price that we must pay to purchase land in the downtown to create new park space.

All of the money is allocated; that is the first message. The second message is that we have a significant challenge being able to build parks of a significant scale simply because of the cost of land.

The Vice-Chair (Mr. Jagmeet Singh): Thank you to all of the committee members who asked questions.

Thank you very much for your presentation today.

That wraps up the presentations. Just by way of housekeeping: Tomorrow, the committee is scheduled to meet in committee room 1, so it's different from this room. Keep that in mind.

The committee is officially adjourned till tomorrow at 4 p.m.

The committee adjourned at 1741.

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Première session, 41^e législature

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Loi de 2015 pour une croissance
intelligente de nos collectivités



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Tuesday 3 November 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Mardi 3 novembre 2015

*The committee met at 1600 in committee room 1.*SMART GROWTH FOR OUR
COMMUNITIES ACT, 2015LOI DE 2015 POUR UNE CROISSANCE
INTELLIGENTE DE NOS COLLECTIVITÉS

Consideration of the following bill:

Bill 73, An Act to amend the Development Charges Act, 1997 and the Planning Act / Projet de loi 73, Loi modifiant la Loi de 1997 sur les redevances d'aménagement et la Loi sur l'aménagement du territoire.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. The Standing Committee on Social Policy will now come to order. We're here to resume public hearings on Bill 73, An Act to amend the Development Charges Act, 1997, and the Planning Act.

Please note, committee members, that additional written submissions that were received are distributed today.

For those who are presenting, you have up to 15 minutes for your presentation. Any time remaining will be used for questions by committee members.

ASSOCIATION OF MUNICIPALITIES
OF ONTARIO

The Chair (Mr. Peter Tabuns): Our first presenters are from the Association of Municipalities of Ontario: Gary McNamara and Pat Vanini. If you'd have a seat and introduce yourselves for Hansard.

Mr. Gary McNamara: Thank you, Mr. Chairman. I'm Gary McNamara, president of the Association of Municipalities of Ontario.

Ms. Pat Vanini: Pat Vanini, executive director, Association of Municipalities of Ontario.

Mr. Gary McNamara: All right. Thank you for providing the Association of Municipalities of Ontario, AMO, the opportunity to contribute to your deliberations. First, there is much to support in this bill but there are also concerns.

In our package, you have a copy of my remarks, as well as a list of all recommendations and specific amendments, beginning on page 7. Today, given the available time, we are only be able to highlight some of the requested changes. However, I know you will seriously consider them all.

Let me start with the land use planning part of the bill.

There are several positive changes that create stability in the local planning process, that create efficiencies and improve predictability. These include:

- limiting appeals to the OMB where the municipality has amended its planning documents to comply with provincial plan requirements;
- changes that scope appeal situations;
- going from a five-year to a 10-year review period for the provincial policy statement;
- instructing the OMB to have regard for municipal decisions as it considers an appeal;
- requiring those who appeal to provide greater detail on the basis of their appeal; and
- providing greater time and means to settle appeals.

We are making eight recommendations for amendments to the planning portion and will highlight four of them now.

(1) Freezing the ability to make official plan amendments for two years after the plan is approved can have positive outcomes in more urban circumstances where growth is anticipated and for which it is planned. In rural-based areas where there is very low or no growth, it is not seen as a positive approach.

Rural-based municipal governments are largely dependent on single-activity or lot-based-activity applications brought forward by an individual who sees an economic opportunity. Some have suggested that the fix to this problem is to make rural councils the proponent. In most cases, it would be difficult to rationalize. It is further complicated as there would be no planning fees to support planning research and reports which are often done by consultants in rural areas. This will put even more pressure on the tight financial situations of rural governments.

The bill's one-size-fits-all approach will have different impacts and repercussions. An exception is needed for rural no-growth/low-growth areas, and we believe the government must act on this recommendation.

(2) Public engagement is integral to the planning process, and municipal governments have deep experience in consulting with the general public. Notwithstanding all the good consultation practices, some members of the public, or applicants, can be unhappy with a council's decision. If their desired outcome is not achieved, then the problem must be with the process. More process will not necessarily make for different decision-making out-

comes, but they will require a new administrative requirement which will further strain municipal capacity.

Changes to process also offer a new area for dispute. For example, in order to provide evidence to the OMB on oral submissions, will the bill be viewed as implying that municipalities are to record all meetings in order to have a record of verbal presentations? What will this mean for municipal freedom of information and privacy?

We ask that how oral submissions are to be accomplished should be the prudent choice of the municipality based on local circumstances and not arbitrarily regulated by the province. Gathering information at public meetings is very helpful and summaries of that information are often included in municipal planning reports.

(3) In the same vein, the requirement for an upper-tier planning advisory committee, PAC, with at least one member of the public is an overreach. This idea of mandatory planning advisory committees was tried in the past and was abandoned. It created confusion as to the legislative role of councils and what the accountability framework of public advisers is, and again involves another administrative practice.

If the goal is for the public to understand how their input is used by the municipality, we submit that a member of the public on a planning advisory committee will not achieve this. The mandatory PAC will create more issues than it resolves, and we respectfully ask that it be deleted.

(4) A key interest for AMO is to expand the use of planning tools to facilitate the development of affordable housing. An additional optional tool to facilitate affordable housing development is inclusionary zoning, but it's not a panacea solution for all new affordable housing development. Inclusionary zoning is typically more effective at helping moderate-income households rather than the very-low-income ones.

A blanket policy approach that says that secondary units are permitted throughout a municipality may create impacts, notwithstanding the desire to accommodate more units. It could put residents at risk or put municipal governments in a position that means additional levels of services are needed. Fire service is one example, as are water and sewer capacity, and we know who will hold the liability if something goes wrong.

In planning for the housing system and enacting solutions, the province should consider that there are different housing markets in Ontario which may require different solutions in different areas. In short, a one-size-fits-all approach is not the appropriate one. The language in Bill 39, the Planning Statute Law Amendment Act, 2014, which has been referred to the Standing Committee on General Government, is much more attuned to the reality of intensification through inclusionary zoning.

Let me now turn to development charges.

For there to be any hope of moving to municipal fiscal sustainability, growth must pay for growth. There needs to be an end to the ineligible services list, an end to the discounts on certain services, and an end to any service

level calculation that looks 10 years back, instead of looking forward.

I wish to cover four areas in this portion of the bill.

Transit should not be a discounted service, nor should the development charge be calculated on a rolling average of the previous 10 years. Only a formula that covers 100% of costs and future service levels will fulfill the objectives of smart growth. To be very clear, the only DCA model that gets us to where we need to be on transit is the one the province used for the Toronto-York Spadina subway extension. The TYSSE approach was the right approach in 2006 and it is the right approach now for all municipal governments providing transit service.

Developers now know that they need this change, too. The housing market is looking for transit. Families look for less time commuting. Experts speak to the loss of productivity as a result of congestion. Let's get on with the future today.

Section 8 of the bill is of critical concern. It refers to agreements not only under the Development Charges Act, but any other act. Let me break this down a bit.

First, there are agreements related to services that are contained within the Development Charges Act but which may have a mandatory discount or are ineligible. However, there are agreements, mutually negotiated and entered into, that deal with these matters. It must be clear that any current agreements are continued and without uncertainty. There must be a clear grandfathering clause.

Second, we strongly suggest that negating any new related agreements may not be helpful to developers who wish to accelerate their interests. You will no doubt have submissions from municipal governments that speak to this matter.

Finally, there are other types of agreements between municipal governments and people who want to utilize land and build where there may or may not be development charge bylaws. For example, there are agreements for the maintenance and improvements related to solar and wind development. Are these types of agreements, generally done under the Municipal Act, also invalid now or in the near future? The province gave municipal governments natural person powers to enter into agreements, and this bill seems to take that away. The province not only must make this section absolutely clear; it must leave all existing agreements intact and not impinge on the future ability to enter into agreements under the DCA and, even more so, other acts, including the Municipal Act.

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As legislators, your job is to ensure the law is clear, that it makes sense in practice and anticipates and avoids unintended consequences. At this point, much greater analysis of this section and clarity are needed.

With respect to other municipal services that are on the discounted list in the current act or listed as ineligible, we understand that they are to be moved to regulations.

With respect to the discounted services, we look forward to reviewing the regulation that will remove the 10% discount on recreation facilities, libraries and child care to support fiscally sustainable community hubs. We

were pleased in August, and remain so, with the government's acceptance of Karen Pitre's community hubs report and its implementation.

Section 6 of the bill is problematic. It makes charges payable upon the first building permit being issued. It should be deleted. Our concern is that if this section is not amended, it may lock in lower DC rates and permit developers to not follow through on their building timelines to avoid increased charges.

There are a couple of additional requests of a technical nature related to area-specific charges and asset management in the specific amendments portion of the document.

In summary, we support much of what is contained in Bill 73. At the same time, there is a need for more critically important amendments. We ask the committee to give them serious consideration.

At the end of the day, long after the shovels have left the ground, the sod has been laid and the keys have been turned over, municipalities are called upon to deliver services, keep them running well, and also financially plan for their ongoing maintenance and eventual future replacement. Over time, it is municipal governments that have to respond to the community needs.

The Chair (Mr. Peter Tabuns): Thank you, Mr. McNamara. We have a little over three minutes left. We'll start with the official opposition.

Mr. Ernie Hardeman: Thank you very much, Mr. President, for your presentation.

Just in the order of your presentation, the issue of the planning advisory committee having one layperson on it: Could you explain a little bit more about AMO's concern with that? We have that concern in Oxford, I know, because all planning committees are all elected officials. They do all their business in public and they don't want to set up a new committee. Is that true of the rest of the province too?

Mr. Gary McNamara: Well, as I stated earlier in my remarks, by adding another layer, especially at the upper tier, for example, it could be problematic; there's no question. You're absolutely right in terms of: What transpires within the municipality is very open and transparent. We have our public meetings that are there. The opportunities for the general public to take part, to get involved, are certainly there—

The Chair (Mr. Peter Tabuns): I'm sorry to say you're out of time, and I have to go to the third party.

Mr. Percy Hatfield: You were just about to finish a point. Would you care to finish that point?

Mr. Gary McNamara: Well, the point is that it has added another layer of bureaucracy or another layer of red tape—another slow issue that affects both the municipality and the developers.

Mr. Percy Hatfield: In part of your presentation, you talked about agreements "mutually negotiated and entered into that deal with these matters. It must be clear that any current agreements are continued and without any uncertainty. There must be a clear grandfathering

clause." Are you thinking about the Seaton lands in Pickering, or is this something else?

Mr. Gary McNamara: No, this is basically any agreement that a municipality has worked with. A good example of that is an agreement on solar farms, an agreement on solar projects, where there's a benefit that's been negotiated between that particular developer and a municipality. That is an area that we feel, under the act, could be problematic and basically a loss of that ability. The person's powers that were given to the municipalities could be taken away.

The Chair (Mr. Peter Tabuns): Sorry, Mr. McNamara; time's up. Mr. Rinaldi.

Mr. Lou Rinaldi: Gary, hello again, and Pat.

Mr. Gary McNamara: It's nice to see you, Lou.

Mr. Lou Rinaldi: It's good to see you. We'll see you Thursday, probably.

You've made some references to inclusionary zoning in your remarks. Inclusionary zoning is not part of Bill 73, but it is part of the review of the Long-Term Affordable Housing Strategy. If you could just refresh my memory, did AMO make a submission to the Long-Term Affordable Housing Strategy?

Ms. Pat Vanini: Yes, we did. The reason we placed the inclusionary in this is because we knew you were going to get commentary from others to change the bill to make it as a right.

Mr. Lou Rinaldi: But that piece is being dealt with through another section. I'll just point it out, to be clear. Thank you.

The Chair (Mr. Peter Tabuns): Okay. Thank you, Mr. Rinaldi. Thank you very much.

Mr. Gary McNamara: Thank you, Mr. Chairman.

NAIOP

The Chair (Mr. Peter Tabuns): Our next presenter: Joel Pearlman, NAIOP, the Commercial Real Estate Development Association. Mr. Pearlman, have a seat and identify yourself for Hansard. You have up to 15 minutes.

Mr. Joel Pearlman: Chair, members of the committee, thank you for the opportunity to speak on Bill 73. My name is Joel Pearlman and I am the co-chair of NAIOP's government relations committee. NAIOP is a commercial real estate development organization and it represents developers, owners and professionals in office, industrial, retail and mixed-use real estate. With over 1,000 members from 200 companies in the greater Toronto area, NAIOP is the prominent voice for commercial real estate in the region. We work closely with other groups in the real estate industry. Indeed, we support the submissions from the Ontario Home Builders' Association with respect to Bill 73.

While NAIOP supports the government's efforts to create a planning and development charges system that is accountable and transparent, we are concerned that some of the proposed amendments will undermine the goals of the legislation, dramatically increase costs and hurt growth. In particular, we are concerned that Bill 73 will

lead to disproportionate taxation on development and limit Planning Act appeal rights.

The commercial real estate development industry has four primary concerns with Bill 73. The first one is the moratorium on official plan amendments. During the two-year period following the adoption of a new official plan or the global replacement of a municipality's zoning bylaws, no applications for amendment are permitted.

NAIOP understands the rationale behind providing municipalities and landowners with a period of certainty following the adoption of a new official plan or global replacement of zoning bylaws. However, the proposed amendments will have negative, unintended consequences as there is not a clear definition of what constitutes a new official plan or comprehensive zoning bylaw review.

To ensure fairness and transparency, Bill 73 must provide certainty as to what standard must be reached to obtain this moratorium on amendment applications. As drafted, the bill assumes that new official plans anticipate all the potential consequences of amendments made to existing plans. Unfortunately, planning is an evolving process, and this legislative proposal is too inflexible a tool for the fluid nature of planning.

Secondly, during the two-year period following an owner-initiated site-specific rezoning, applications for minor variances are permitted only with city council approval. NAIOP opposes a two-year moratorium on applications for minor variances following an owner-initiated site-specific rezoning. This restriction appears to have been motivated by a few isolated cases related to residential projects in Toronto, where floors were added immediately after approval.

Unfortunately, the restriction will have a substantial negative impact on all zoning applications and will add uncertainty to the planning process. In the development process, minor variances are necessary in instances where something may have been missed, was measured differently, or where a tenant in a commercial property requires a small change that was not initially envisioned. Restricting this ability to obtain a minor variance will cause substantial delays and constraints for developers by forcing them to request council approval.

Due to the nature of municipal councils, there can be months of delays between meetings or even getting the item on the agenda. Forcing developers to go to council for minor tweaks to the zoning bylaws seems excessive and inflexible when considering building realities.

Both the moratorium on the official plan amendments and rezoning will have unintended consequences. For example, tenants supporting new commercial developments sometimes require changes that the developer has not envisioned when the official plan or zoning changes were made. Flexibility is required, and a two-year moratorium would hamstring developers and tenants.

Transit services are added to the list of services for which no reduction of capital costs is required in determining development charges. NAIOP proposes the elimination of the 10% municipal contribution. By adding transit to the list of services where there is no reduction

in the capital costs that benefit existing residents, this amendment will result in a new development paying a disproportionate share of the costs.

While NAIOP's membership is pleased to pay for its fair share for these services, it is unfair and unbalanced to have a new commercial tenant bear the costs of connecting a region through transit.

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If a development consists of one building that requires more than one building permit, the development charges for the development are payable upon the first building permit being issued. NAIOP is concerned that this proposed change would impact sites that are being developed over multiple stages. It is important for municipalities and developers to clearly understand whether development charges in a multi-building development will be payable upon the issuance of the first building permit or if development charges will be payable as the phase building development progresses. Given that the timeline for a multi-building development often extends over many years, NAIOP wants to ensure that there is flexibility in the legislation related to the payment of development charges.

In closing, I'd like to thank you again for this opportunity to present NAIOP's recommendations on Bill 73. I'd be pleased to answer any questions.

The Chair (Mr. Peter Tabuns): Thank you very much. We have about three minutes per party. We start with the third party: Mr. Hatfield.

Mr. Percy Hatfield: Thank you for being here today. I was reading some of the written submissions that we received yesterday. We have one from the Federation of North Toronto Residents' Associations, FONTRA. According to that, usually more than 3,500 minor variance applications a year are being adjudicated by Toronto's committee of adjustment, of which about 300 are being appealed to the OMB. I think you were giving the impression that minor committee of adjustment decisions weren't all that big a deal. It seems like that's what they deal with all the time.

Mr. Joel Pearlman: No, I don't think that it's not a big deal. I think it's a necessary tool for development. You're going to have unintended consequences in commercial developments by having a two-year moratorium on them.

Mr. Percy Hatfield: All right. This group also suggested that the official plan next year will reach the 15-year milestone of its 30-year planning horizon already mutilated by some 300 amendments. We listened to the chief planner for the city yesterday as well, who said that it's always in a continual flow. What is a new official plan when the existing official plan is constantly under appeal or under review, always being updated?

Mr. Joel Pearlman: I think, as you suggest, on the official plan, we're looking for a little more clarity on it. I think some of the official plan, as you said, is always in constant flow. But what we're looking for is, if there's going to be a moratorium, that the plans have to be updated to a level that makes it acceptable for there to be a

moratorium. Otherwise, again, we're worried about the development being stagnated if you have an old plan and you're putting a two-year moratorium on it.

Mr. Percy Hatfield: Under a phased development and paying all the fees up front, some municipalities are concerned that we don't hear about development fees going down; they're usually going up. If you pay it up front, you can buy it at this year's rate as opposed to three, five or 10 years down the road when the rates have gone up. They see that as a loss to the municipality but a benefit to the developer. But you see it as not that at all, then?

Mr. Joel Pearlman: There's always the present value of money. If a developer chose to pay it three or five years in advance, there is value to having the money in hand at that point.

I'm saying that it shouldn't be a requirement, but it should be an option because there can be developments, and there are developments in the downtown core I can think of—Bay and Adelaide—where they stagnated the development for almost 15 to 20 years, the phases of the development. If they were forced to pay those fees up front, it's a huge cost to that developer.

The Chair (Mr. Peter Tabuns): Thank you. Your time is up. To the government, Mr. Milczyn.

Mr. Peter Z. Milczyn: Thank you, Mr. Chair. I appreciate your concerns around the removal of the 10% discount on transit, but I was wondering: In a typical Ontario municipality, what proportion of an industrial or commercial development charge would actually be allocated towards transit?

Mr. Joel Pearlman: In a typical—I'm not sure I have that information.

Mr. Peter Z. Milczyn: I know the city of Toronto answer. In Toronto, 12% of development charges go to transit, so a 10% discount would add 1.2%. So it's a pretty small amount. You're concerned about a disproportionate charge of development charges against certain types of development. But I would assume that if one of your members is building an office building, that actually creates more demand for public transit than just a few detached homes. Perhaps we are actually allocating the cost where it should go.

Mr. Joel Pearlman: I can see your point. Again, I think our concern is that this is happening in areas where there is existing transit and the upgrade of that existing transit is all being put on the new development when there are other owners or landowners or office owners who should be paying their share there. So to put the entire taxes on the new development doesn't seem proportionate.

Mr. Peter Z. Milczyn: But growth is supposed to pay for growth. "The incremental costs are being allocated in a more equitable way" is what our argument would be.

Mr. Joel Pearlman: Okay. I think we see it as being allocated more to the development side. I understand your argument is that growth should pay for growth, but there are a number of development charges that current owners and developers are already paying, and this is just an added one. We think if there's existing infrastructure,

it's benefiting everyone; it's not just for the sole benefit of the development.

The Chair (Mr. Peter Tabuns): Further questions? You have 20 seconds.

Mr. Peter Z. Milczyn: In general, the suite of changes proposed in the act: Is it going to allow development to continue apace in the province?

Mr. Joel Pearlman: I think development will continue, but there are definite concerns when it comes to minor variances and the official plan, because development is fluid. If it becomes too restrictive and there's a moratorium, we have an issue with getting things done, especially when you're trying—

The Chair (Mr. Peter Tabuns): I'm sorry to say, but your time is finished and I have to go to the opposition. Mr. Miller.

Mr. Norm Miller: Thank you for your presentation. I guess I'll ask about your point 2, which is, "During the two-year period following an owner-initiated site-specific rezoning, applications for minor variances are permitted only with council approval."

Could you give examples of problems that would be created by this provision and also, in addition to the examples, what you would rather see than what I gather you think is too restrictive and would create problems for you?

Mr. Joel Pearlman: Sure. We spoke about how part of the genesis may be coming from some of the residential minor variances. I could put that same example where a commercial development has an anchor tenant that's waiting to move downtown and bring taxes to the city and they need an extra floor. That's a minor variance that we could go to the city, to council, to get done, but under this moratorium, you wouldn't be able to do that.

There are changes constantly when you sign an anchor tenant for a large building that may revolve around parking, that may revolve around some of the design—they want extra features. It's a part of the business where we need to be able to be a little bit flexible to deal with it.

Personally, we think the current system isn't as flawed as others may think. We think the OMB system works and we think that having the ability to go to a committee of adjustment for minor variances shouldn't be altered that dramatically.

Mr. Norm Miller: And I think you gave an example, also, of just measurements being off. So that might be a surveying mistake?

Mr. Joel Pearlman: Yes. It could be as minor as that, and this seems to capture those things, where it's just a minor change: It's built a little bit off or measurements were off on the initial plans and we need to get a minor variance.

Mr. Norm Miller: So you see it as being too restrictive and that would negatively affect your business?

Mr. Joel Pearlman: Correct.

Mr. Norm Miller: Okay.

The Chair (Mr. Peter Tabuns): Mr. Hardeman?

Mr. Ernie Hardeman: One of the things that's in there is about timing, but the review of the official plans generally, the first one—we're going 10 years instead of

five. Everybody tells me it takes a long time to do the review of an official plan. Do you believe that after this first one, they could get it done in five years?

Mr. Joel Pearlman: Quite frankly, no; I think it will take more time. Again, I think development is an evolving process. You might think of something for five years from now, and five years from now, everything will have changed. Tenants' needs will have changed 10 years from now or two years from now. So we have to be able to be a little bit flexible. That's really our largest concern with Bill 73. It's removing a lot of the flexibility.

The Chair (Mr. Peter Tabuns): Okay. Time's up. Thank you very much.

Mr. Joel Pearlman: Thank you.

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COUNTY OF RENFREW

The Chair (Mr. Peter Tabuns): Our next presenter: county of Renfrew, Peter Emon, warden.

Mr. Emon, thank you. Have a seat. You have up to 15 minutes. Please introduce yourself for Hansard.

Mr. Peter Emon: Good afternoon, Chair and committee. My name is Peter Emon. I'm the warden of the county of Renfrew. We're along the Ottawa River in eastern Ontario—7,000 square kilometres, with 50% of our land being crown land of some description.

The county of Renfrew is pleased to submit our comments on the proposed changes to Bill 73. There are portions of Bill 73 that the county fully supports. These include:

- clarifying what is meant by “minor” in minor variances;

- requiring greater explanation of appeals in certain cases;

- removing the requirement to review employment land policies in the five-year official plan reviews; and

- removing the ability to appeal entire new official plans.

The county also supports a change in the time frames required for official plan and PPS—provincial policy statement—reviews. We see benefits to changing these to 10-year reviews.

There are several portions of Bill 73 that cause the county of Renfrew concern. Like any review of legislation, the proposed changes must be examined in the context of existing legislation. In this case, the proposed changes may result in limitations to growth in parts of the province that are already deemed to be slow-growth areas, and we are such an area.

Bill 73, combined with the impact of existing legislation like the Endangered Species Act, would add unnecessary layers of bureaucracy and process to land use planning in rural eastern Ontario.

Specifically, the following section numbers refer to proposed legislation:

Subsections 26(1) and (1.2): We agree with the proposed changes that would extend the review interval of the PPS and new official plans from every five years to

every 10 years. The five-year review cycle comes around very quickly and places a strain on the resources of municipalities, and puts them in a constant state of review, at the expense of other planning initiatives. The 10-year cycle provides a balance between ensuring stability of the documents while ensuring they are updated appropriately to reflect changing trends.

Unfortunately, the benefits of these changes are somewhat undermined by the continued requirement in Bill 73 that official plans be reviewed every five years thereafter. Since most updates to official plans are through the five-year review process, the proposed changes to the Planning Act will have a negligible impact.

In order to fully realize the benefits of the 10-year review cycle, all official plans, new and updated ones, should be reviewed every 10 years. Since the PPS itself is proposed to be reviewed every 10 years, and since the main purpose of OP updates is to ensure consistency with the PPS, it only makes sense in our minds to make the 10-year time frame standard across all reviews.

The option of reviewing all or parts of its official plan sooner than the 10-year time frame would always be available to a municipality and would strengthen local autonomy, which is a stated objective of Bill 73.

Respectfully, the county of Renfrew recommends amending this section to require a 10-year review of official plan updates, which would be consistent with the 10-year review cycle of the PPS.

Section 8: We are opposed to making planning advisory committees mandatory at the upper tier. We're also opposed to requiring that at least one member of the public sit on these committees. Most, if not all, of my county colleagues have standing committees of county council which have served their communities well as reporting vehicles on planning matters. It is difficult to see how requiring the creation of another committee at the upper tier streamlines the planning process or enhances local autonomy.

We also fail to see how having one member from the public on a committee engages the wider public. The Planning Act already requires extensive public engagement and public consultation. It is important to acknowledge that elected officials play a significant role in representing the public interest.

The bill should be amended by making planning advisory committees optional at the upper tier, as is proposed for lower tiers. The decision to have citizen representation on these committees should also be left to the municipality, thus enhancing local autonomy.

Respectfully, the county of Renfrew recommends that we amend this section to delete the requirement to have planning advisory committees at the upper-tier level and remove the requirement to have citizen representation.

Subsections 22(2.1) and 34(10.0.0.1): We do not agree with the proposed change that would prohibit amendments to a new official plan or global replacement of a zoning bylaw in the first two years except those initiated by the municipality. This has never been an issue in the county of Renfrew, and we do not see the need for this

change, which has the potential to delay and even prevent development projects which are needed for growth—I should say “desperately needed for growth.”

We would also like to point out a possible discrepancy in what is intended by the proposed legislation and what the legislation actually states. The backgrounder on Bill 73 dated March 5, 2015, prepared by the MMAH, states that once a municipality establishes a new official plan, it would be frozen and therefore not subject to new amendments for two years, unless changes are initiated by the municipality.

We note, however, that the wording in the proposed legislation in section 22(2.1) states: “No person or public body shall request an amendment....” Under the Planning Act, “public body” includes a municipality. Therefore, a straight reading of the proposed legislation would lead one to believe that no amendments, including those by a municipality, would be permitted within two years. The legislation should be amended to reflect the true intent.

Respectfully, the county of Renfrew recommends to delete the reference to a two-year moratorium on amendments to new official plans and zoning by-laws. If the two-year moratorium is kept, this section should be amended to permit a public body to initiate an amendment.

Finally, subsections 45(1.2) and (1.3) would prohibit a minor variance to an owner-initiated site-specific rezoning within two years unless council passes a resolution permitting such an application. We find this is an unnecessary complication of the process, without any perceived gain. This and other various changes to time frames and notice procedures spread throughout Bill 73—for example, subsection 34(18.1)—add more administrative complexities to the Planning Act, making the implementation of planning matters all the more difficult for municipalities, without resulting in commensurate benefits.

Respectfully, the county of Renfrew recommends to delete restriction on minor variance applications within two years of a site-specific zoning by-law amendment.

Submitted on behalf of the county of Renfrew by myself.

I would take questions, if there are any.

The Chair (Mr. Peter Tabuns): Thank you very much. We have a little over two minutes for each party. We start with the government: Mr. Rinaldi?

Mr. Lou Rinaldi: Your Worship, welcome.

Mr. Peter Emon: Thank you.

Mr. Lou Rinaldi: Good to see you, coming from the far east.

Mr. Peter Emon: The far east, yes.

Mr. Lou Rinaldi: The employment lands piece in Bill 73: The bill, if passed as proposed, proposes that municipalities are not forced to review their employment lands policies at the time of their official plan review.

My understanding from you is that you support that. But I wonder if you could be a bit more specific about what that really means to a municipality during an official plan review, that you don't have to deal with that piece.

Mr. Peter Emon: In the county of Renfrew, 68% of our tax revenue is generated by the residential tax return. As such, we've been slowly losing industrial and commercial land, and we're not able to adequately quantify or project what lands will be tied to employment, in short. It would make it difficult, and it's just another added level of study that may be out of date after a small plant either changes purpose or leaves.

Mr. Lou Rinaldi: I guess what I glean from that is that it gives you a little bit more stability when it comes to investment in your community.

Mr. Peter Emon: Yes, that would be the short version of it. Thank you.

Mr. Lou Rinaldi: Okay, thank you very much. Thank you for being here today.

Mr. Peter Emon: Thank you.

The Chair (Mr. Peter Tabuns): Official opposition: Mr. Hardeman?

Mr. Ernie Hardeman: Thank you very much, Warden, for your presentation. Having had the privilege of being a municipal politician and a warden for 14 years in my career, I find it interesting that this is almost an identical presentation to one I made when the minister introduced this piece of legislation. It seems that the issues you speak to are more prevalent because this bill is trying to solve a problem in the more urban areas, and it reflects differently in rural Ontario than they propose.

One of the first ones you mentioned was that you appreciated the clarification of “minor.” Yesterday, when I asked the city of Toronto about the freezing of the minor variance for the two years, I said it would be rather difficult in some cases, because it may be a very minor change, but they can't make it until they go through the process of getting a minor variance at the request of the municipalities. She was talking about the minor variance being increasing the building by three or four floors. In all my years in politics, I never saw three or four floors being a minor variance to any building. That's a major building.

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Could you explain to me a little bit what you call a minor variance and what you appreciate about the bill—clarifying?

Mr. Peter Emon: I've chaired our minor variance committee in my host municipality for about 12 years. For us, a minor variance may include allowing a deck to be within two or three metres of the property line. It maybe include sawing off some of the property from an adjoining property owner to clarify where the neighbouring septic system is because the land has been transferred over the years using a stone as a marking, or an old fence line that's no longer there. So a minor variance for us often means allowing someone to do something unique to their property that's not of great expense and not something that involves a great deal of effort by our planning department or the legal department to clarify what—it's usually a site inspection and then a site plan.

The Chair (Mr. Peter Tabuns): Third party: Mr. Hatfield?

Mr. Percy Hatfield: Welcome, Warden. I lived in Pembroke from 1970 to 1974. I don't know if I should mention that; I'm not sure about the statute of limitations, 40 years, whether that's covered or not.

Mr. Peter Z. Milczyn: Do you have some outstanding parking tickets?

Mr. Percy Hatfield: It's still there. Parking tickets are there.

Mr. Peter Emon: The ladies at the Canada house were asking about you.

Mr. Percy Hatfield: Oh, no, the Pembroke hotel.

The possibility of a citizen-partner on the planning advisory committee—there's nothing in here about any criteria that that person would have. If this does go ahead, can you suggest any criteria or qualifications that a citizen would have to have?

Mr. Peter Emon: I would hope that if it were to go forward, there would be some kind of an educational process similar to minor variance, where you have to consider the four criteria before you offer up a decision, and you speak to those criteria in the minor variance decision. I think, should someone who isn't as experienced in planning matters—I think they need an education and a planning 101 and then possibly some instruction on process as well. As you know, there are a series of timing requirements for most of the Planning Act and appeals, and the language has to be quite specific, quite prescriptive and usually quite bland in order to not give somebody too much of a leverage point should they try to appeal it.

Mr. Percy Hatfield: Have you passed this through the Eastern Ontario Wardens' Caucus? Have they had the chance to look at this yet at all?

Mr. Peter Emon: Yes, we have talked about it, and I think they're quite comfortable with the approach that there's not an overriding need for public representation in a body such as this.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much, sir. Thanks for your presentation.

Mr. Peter Emon: Thank you.

WATSON AND ASSOCIATES ECONOMISTS LTD.

The Chair (Mr. Peter Tabuns): Our next presenter is Watson and Associates Economists Ltd. Gentlemen, as you've seen, you have up to 15 minutes. If you'd introduce yourselves for Hansard, we'll go from there.

Mr. Gary Scandlan: Thank you, Mr. Chair and members of the committee. We've prepared a response to you. The response we've prepared is more of a technical nature. Our firm represents probably 50% of the active development charge bylaws in the province. We've been doing development charges and before that lot levies going back into the 1980s, so we've got a little bit of experience in this particular area.

We've summarized our comments into seven particular areas. I'd like to quickly go through those. The first two

are probably the ones that are most key, but there are some other comments that we have on the remaining five.

Transit service is obviously a significant one; 1.1 talks to the recommendation to remove that mandatory 10% deduction. Our firm is in full support of that deduction in order to provide municipalities as much financial assistance in this area as possible.

The second is with respect to transit, the level of service for transit. Right now we're into a round where we have to do quality/quantity measurements and it's backwards-looking. The suggestion in the act is to have a more forward-looking service level, but it's unclear what that service level would be.

In the working committee, the technical group that we're working with, there was a perspective that maybe it should be quality/quantity and maybe you should have a target and average up over time. So maybe you can only collect 30% now. Our first bylaw, we can collect 50%; next bylaw, 70%, etc. That's still not assisting in moving people off of roads and getting them into buses, because there are financial issues.

The other suggestion was to take a look at an end level of service and to identify the capital needs and how you would deploy the service over time. Our firm is more supportive of the second one, where we have an ideal we're trying to meet, but with that planned level of service we do believe that there are some fundamental issues that probably should be introduced to give some measurement or some framework around that end marker, what we're trying to obtain. There should be consideration of what the existing levels of service are and where we're trying to be to accommodate the growth over the time period. We should be demonstrating how future development will be accommodated through the transit service by increasing the amount of use of that service. Quite often that's reducing other levels of service, such as roads, and supplementing them with transit, so where does transit play in that?

It's important that, up front, they understand what the capital costs are, so you're not only dealing with a service level but you know what the quantum of that cost will be.

Last is looking at a transparent process so that it can be discussed and we can have a dialogue before council ultimately approves the planned level of service. We feel that this is important, and a lot of this should probably take place during a transportation master plan rather than waiting until we do a development charge, which is after those approvals have already been put in place. As I say, we've suggested a framework.

The last one is not quite embraced by the act, but I think we wanted to point out that, really, transit is part of a broader transportation service. We do transportation master plans, and our firm participates quite extensively in these master plans, from an affordability perspective etc. Three years ago, I did a transportation master plan that went into DC, and we were able to demonstrate that we could save \$120 million in roads costs by putting into place \$58 million in buses, roughly 120 buses, and we

could save everybody over \$60 million. Because of service standards, because of affordability, the municipality couldn't afford \$58 million, so they ended up, in their long-term capital plan, putting in in the range of about \$30 million and they left that gap unanswered. But the next master plan, they could be coming back and saying, "Well, maybe we have to re-shift and go back to adding more roads." It's just that you can demonstrate that there is a savings.

I think we should not only look at roads and transit but also alternative transit methods. We have bike lanes; we have trails; we have parking lots that you can double up in commuter movements. We have isolated pedestrian pathways. There are a number of these alternative methods that are also part of that modal split, but we don't know quite where to put them. Sometimes they fall into parks and recreation; sometimes they fall into a category unto themselves. Right now, our belief is that, in the whole transportation realm, we should be looking more towards putting them all together as one service rather than keeping them on a siloed basis. We leave that to the consideration of the committee.

The second area is voluntary payments. This is something that I don't believe is quite understood, and how the implications of these voluntary payments actually pan out in allowing development to proceed in many different instances. I've given you four different examples which I'll briefly touch on.

The town of Milton: In the year 2001, there were 32,000 people. In 2006 and 2011, they were deemed by Statistics Canada as the fastest-growing municipality in Canada. This is only as a result of being able to negotiate with the development community in order to receive these voluntary payments and voluntary contributions of additional parkland. If that wasn't allowed—they build in the realm of 1,500, maybe 2,000 units a year. Our original recommendations were that they could only build probably in the range of 250 to 300 units a year. To move from 32,000 people and to move over 20 years—their target was somewhere in the range of 175 to 180. That's six times the size of the original municipality. Nobody can grow that fast, with all of the costs.

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The issue that they were facing was debt capacity, where the province would allow 25%. We would have seen 50%. It couldn't have happened. We see tax increases ranging from 8% to 10% per year, average annual impact over time. That's not something that's sustainable. It's not something that's acceptable by the residents of the community.

Through negotiation and really through a partnership with the development community, we were allowed to allow them to grow. I think at the end of the day, the business community and the development community in Milton are very happy with what they've had and the success that they've had, and Milton is very proud of it.

The second example is Barrie. Even though Barrie is in the range of 135,000 people, they had very similar issues. They've got an existing built area in which they

would have to service 27,000 people. There is about \$1 billion in infrastructure that has to be built, just to service them. They annexed land from Innisfil: another 40,000 people, another \$1.4 billion to service them. On top of that, they're facing a huge infrastructure deficit.

Critical works were actually over \$2 billion. We pared it back to taking the most important services, and they still have to build about \$1.4 billion. Added all together, they were looking at debt capacity of 45%. They would not have allowed the annexed lands to proceed in parallel with the existing built boundary. They would have had to phase the development and allow it to proceed in a sequential way.

Keep in mind that with development charges, when you go through all the reductions and deductions, we're talking about perhaps 60% to 65% recovery for all of the growth-related costs. There is 30% to 35% or 35% to 40% of the costs that end up on the municipal side of the equation. So when we ask for these additional contributions only towards growth-related costs, they're basically overcoming shortcomings within the act.

Two other situations, items 3 and 4 in our presentation: There are situations where in municipalities, the developers approach and say, "You've planned this project for year 8, year 10. We want it to proceed earlier. We're ready to go. We want to leapfrog other developments," and the municipality says, "Well, we haven't planned for the non-growth component." Maybe it's 10%, 20% of the extension of water mains, building of sewers, whatever. The municipality says, "You will wait until we can integrate it into our financial plan or you have to top up and pay for the non-growth share." In that particular case, a lot of times developers say, "Okay, I'll pick up the 10 cents on the dollar or the 15%. Just allow me to proceed." A lot of times, there's cash flow there.

The last situation: Keep in mind that 50% of Ontario municipalities do not have development charge bylaws. If a small municipality that doesn't have a DC bylaw has maybe a shopping mall, maybe has an industry, maybe has a big box store that's being built, there are a lot of localized services they would ask for. "Put in a taper lane. Put in signalization. Put in sidewalks." The way it's written right now, I would deem that they're not able to recover those costs. So they're either forced into a development charge process or they're not allowed to recover these costs. I think that it needs to be considered.

We've suggested, on page 5, that we put in a framework or criteria. I think the act should be set up to say that they're allowed, but you should either have a fiscal impact to demonstrate the need and the financial affordability, things like debt capacity; or in other situations, in order to accelerate the timing of capital works, even for those municipalities without a DC bylaw, they're allowed to negotiate these more localized works.

My time is running, so I'll quickly go through.

Area-specific: We do them right now. We think that it's generally to the municipality to decide when we do them, but it's most focused on the hard services: water, waste water and storm. When we get out into other

services, there are problems. There are other areas of the act which would reduce your ability to recover the full growth-related cost from those areas, because we can't go past the average service standard for the—averaged across the whole municipality. So there are some stumbling blocks if we're required to do these. Our suggestion is, if there is going to be area-specific, it stay to the water, waste water and storm services.

Ineligible services: no problem with moving it into the regulation. We would just like to see more or less a transparent process if there is going to be change to what is or isn't eligible. If you're going to change the list from time to time, there has to be more of a dialogue. Rather than just putting it on the registry, there should be an opportunity for all participants to comment.

Asset management plan: We're in agreement with that; we just don't know the details of it. We are suggesting that anything that comes forward through the regs be forwarded through AMO, municipal finance officers and AMCTO.

Amendments for the treasurer for reporting requirements: not a problem.

The last item on the first building permit: We do see this as a bit of a problem. For high-rise developments, you go through a number of different building permits, the first one normally being a foundation permit. At that point, we don't know what is within the rest of the building. We don't know how many single detached apartments, two-bedroom or more; there is a differentiation of the charge. We don't know how much square footage of retail, or office, etc. We would suggest that if this is put into place, everybody would benefit by the ability to revisit at the end to make sure that what they'd been charged is accurate, either to refund, or for the municipality to charge a little bit extra.

Thank you, Mr. Chair. I have a couple of minutes, I think.

The Chair (Mr. Peter Tabuns): You've just about a minute left.

The Conservatives have the first question. My advice is to be very brief.

Mr. Ernie Hardeman: Thank you very much.

My question is just on the 50% of the municipalities that don't have a development charges bylaw under this. What is your suggestion of how we deal with those?

Mr. Gary Scandlan: With respect to the voluntary payments, or—

Mr. Ernie Hardeman: Yes.

Mr. Gary Scandlan: I think that they should be allowed to recover more localized types of works: quite often, the roads, the sidewalks, street lights, things related to transportation or storm water management, or things that are fundamental to allowing the development to proceed without inhibiting or causing problems to the residents.

The Chair (Mr. Peter Tabuns): Thank you. I'm sorry to say that your time is up. Thank you very much for your presentation.

Mr. Gary Scandlan: Thank you.

TEDDINGTON PARK RESIDENTS ASSOCIATION INC.

The Chair (Mr. Peter Tabuns): Our next presenter is the Teddington Park Residents Association: Eileen Denny. Ms. Denny, you have up to 15 minutes to speak. If you would identify yourself for Hansard, and then please proceed.

Ms. Eileen Denny: Good evening. My name is Eileen Denny.

Thank you for giving Teddington Park Residents Association Inc. this opportunity to provide our perspective on Bill 73, concerning the amendments to the Planning Act and the Development Charges Act.

My name is Eileen Denny and I am the president of Teddington Park Residents Association Inc. We are an active, independent, not-for-profit, incorporated association that represents the concerns of residents in north Toronto located within the limits of the former city of Toronto. TPRA is a member group of CORRA, which is the Confederation of Resident Ratepayer Associations in Toronto. While TPRA operates out of Toronto, we believe our comments are applicable to the resident and ratepayer groups elsewhere in the province. Our focus today is on the changes to the Planning Act in Bill 73, the Smart Growth for Our Communities Act, 2015.

Overall, TPRA supports many of the proposed changes to the Planning Act, such as requiring written decisions to reflect the evidence of both oral and written submissions at the committee of adjustment, as noted in subsections 45(8.1) and (8.2). TPRA does have concerns about how pre-board consultations will occur and work, especially when there are multiple parties. Any provisions should ensure transparency and accountability, with notice to all parties.

1700

TPRA identifies the following areas for further consideration.

Strengthening subsection 45, minor variances: Currently, the legislation states that the committee of adjustment must be satisfied that the variances requested maintain the intent and purpose of the official plan and zoning bylaw; that it is considered desirable for the appropriate development or use of the land; and that the variances are to be minor.

Subsection 45(1) can be improved by: (1) identifying and clarifying the four tests that need to be met, explicitly; and (2) codifying Vincent v. DeGasperis, the Divisional Court decision involving these tests.

The case law indicates that a flexible approach is to be taken to determine if a variance is minor, "relating the assessment of the significance of the variance to the surrounding circumstances and to the terms of the existing bylaw."

In Vincent v. DeGasperis, the Ontario Divisional Court decision observed that "minor" involves consideration of both size and impact. The decision also provided the proper interpretation of the four tests and what would

constitute the appropriate evidence to satisfy the legislated criteria.

For example, subsection 45 can be amended to be more explicit about the four-part test by setting out the requirements to add clarity.

I'll just read, for an example, how it can be clarified. When you go down to "Powers of committee," section 45(1), you can add "if the variance individually and the variances collectively are determined to:

"(a) be minor with respect to both size and importance, which includes impact;

"(b) be desirable in the public interest and/or existing context, in the opinion of the committee, for the appropriate development or use of the land, building, or structure;

"(c) maintain, in the opinion of the committee, the general intent and purpose of the zoning bylaw; and

"(d) conform, in the opinion of the committee, to the official plan."

Strengthening the word from "maintain" to "conform" in (d) is needed because official plans are far more sophisticated today, and we believe the higher test of conformity is needed to ensure the integrity of those official plans.

Administratively, the number of days to consider a variance application should increase from 30 days to 45 days at minimum, preferably 60 days. Also, the variance application should disclose or inform the applicant of the four-part test under section 45(1) that must be met before variances are granted. The general public considers the four-part test as the responsibility of the applicant for the right to vary from the law.

The next area that we are concerned with is strengthening the role of the committee of adjustment.

The committee of adjustment is a quasi-judicial body responsible for making decisions on development applications seeking variances from the zoning bylaws. As noted above, the committee must be satisfied that the variances individually and collectively meet the four-part statutory test.

This is one committee that residents and ratepayer groups frequently and regularly engage to make their views known. The decisions rendered by this committee can impact the use and enjoyment of one's property and the broader neighbourhood.

For example, in the Toronto context, some committee panels require the opponents to speak first, followed by the proponent. Opponents can be caught off guard if new information or changes are made without the opportunity to address them because they are not allowed to speak any further. In addition, in some cases, review of the contents ahead of the public hearing is restricted, and city reports are not available until the day of the hearing.

It is from this perspective that the committee of adjustment must be an independent body, separate from the administrative function of the city, and operate in accordance with the rules of natural justice in order to render decisions that are objective, impartial and fair.

TPRA suggests the following amendments for consideration: in the section "Power of committee to grant

minor variances," that perhaps a statement be inserted to say, "be an independent body, to operate in accordance with the rules of natural justice" to grant minor variances from the provisions of any bylaw.

The next section we would like to speak on is the imposition of the development permit system, DPS, on lower- and upper-tier municipalities.

Most municipalities have chosen to adopt an official plan as the document to represent its long-term vision for guiding growth and change. With 400 municipalities in the province, only four have chosen the DPS model to be applied within a given context and under high specificity.

The proposed amendment under subsection 70.2.2(1), that "The minister may, by order ... require a local municipality to adopt or establish a development permit system ... or require an upper-tier municipality to act" is of concern. The DPS remains relatively new, with insufficient empirical evidence from adopting municipalities to determine its effectiveness.

At the policy level we understand that the DPS combines the decision-making—minor variance, zoning bylaw amendments and site plan approval processes—into one process resulting from an area-specific DPS bylaw being established. However, the reality of the changes results in the removal of the underlying bylaws, to be replaced with a new DPS bylaw that may allow for conditional and flexible zoning.

The DPS bylaw removes committee of adjustment decision-making, it removes third-party rights to appeal except for the applicant seeking an amendment and allows delegated decision-making powers. The DPS demands a higher level of policy specificity concerning the appropriate level of consultation at the outset, following and during an area subject to a DPS regime; proper due notice; how the system will operate within areas not subject to the DPS; and when or if delegation of such decisions, especially in light of conditional zoning options that will occur episodically across time, is indeed appropriate.

TPRA draws from the city of Toronto experience. Toronto's OP is a comprehensive and integrative policy framework for priority-setting and decision-making. Planning tools such as secondary and area-specific plans are available and cost-effective tools that are publicly understood, do not remove third-party rights in the decision-making process, and also allow for area-based decision-making. TPRA suggests a cautious approach. The imposition of DPS on municipalities at this time is at best premature.

In summary, thank you for considering TPRA's submission. If you have any questions, I would be glad to answer them.

The Chair (Mr. Peter Tabuns): Thank you very much. We start with the third party, Mr. Hatfield. People have about two minutes each.

Mr. Percy Hatfield: Welcome. Thank you for coming. Have you taken a position on inclusionary zoning?

Ms. Eileen Denny: And how do you define inclusionary zoning?

Mr. Percy Hatfield: I guess that would be subject to a lot of different factors, but it would be one of the many tools to create more housing. If you wanted to build, say, a 10-storey complex, you would have to make some of those units available for less than market rate.

Ms. Eileen Denny: Oh, yes, I would support that, because affordable housing is what is being removed with the new structures in Toronto. If you're putting a condominium on a main street, you would displace five entrepreneurial shops. You would displace the rental housing that is above it—perhaps one, two or three storeys, usually affordable—and then when you put in a larger condominium, the rates of the condominium are quite high.

If you don't make that accommodation over time, what you do is you erase the affordability of, let's say, living on a main street. Or if you're actually removing affordable rental housing to put in a mixed building, that's the same thing. If you're not going to think long-term and account for that loss, you're not going to have available affordable housing.

Mr. Percy Hatfield: Thank you. You talked about the committee of adjustment in Toronto. I think there are 3,500 minor variance applications a year and 300 appeals to the OMB, and they say that very substantial variances to the zoning bylaw for major developments are routinely approved in the absence of any opponents appearing at the hearing. Is that accurate?

Ms. Eileen Denny: Yes. By and large, if no one attends the OMB hearing, they conduct a hearing which is uncontested, and it usually—

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time with this questioner. We have to go to the government. Mr. Milczyn.

Mr. Peter Z. Milczyn: Hi, Ms. Denny. Nice to see you again.

Ms. Eileen Denny: Hi.

Mr. Peter Z. Milczyn: Just to continue on the line of questioning that my friend from the third party initiated: The intent here is to give a little bit more certainty to the planning process. If somebody undertakes a zoning amendment application and goes through the process, whatever ultimately is approved is approved, and the notion that they can't easily then go and try to undermine it through attempting a minor variance application.

1710

In your experience, is that something that is actually required as a protection for planning local communities?

Ms. Eileen Denny: I think if the decision-making was ideal, you would not have to do that. When you think of what should happen on a zoning bylaw, you've already gone through the comprehensive consultation, you've gone through a major amendment to zoning, and that should be the approval.

If you embed the height and density in the OP, then in going through minor variance, it would be very difficult to actually exceed that, because the element is—you would have to vary from the OP. In a minor variance application, you cannot vary. That's why the wording I

suggested, "conform"—by just changing that, you could not go beyond following a zoning amendment.

There are pragmatic solutions. Everyone seems to look for a silver bullet or an overall concept to deal with something. Sometimes just a very small change in legislation can actually trigger a change in how decisions are made.

The Chair (Mr. Peter Tabuns): Thank you. I'm afraid we have to go to the next questioner. Mr. Hardeman?

Mr. Ernie Hardeman: Thank you very much for your presentation. I just want to follow up in the same circle.

When we look at the planning process, obviously, this document is trying to redesign or fix the problems that are in it. Obviously, we have the zoning of a property, and then you have site plan control, where you go back for another application to build something on that property that's allowed.

This is really the question: A minor variance, to me, is when you've gone through the whole process and you're going to build it, or you already have it, and you want a change so minor that it's not substantive. Nobody would technically notice that the community is developing differently because of that change. A minor variance is something that, to me, should be much simpler to apply for and get approval for than a site-specific zoning or a site plan which tells you exactly what you're going to build and how many storeys it's going to be.

How would you interpret or design or define a minor variance application that would work in order to make sure you could facilitate those small changes without going through the long process of the rezoning of a piece of property?

Ms. Eileen Denny: For the city of Toronto, minor variances have dramatically changed. We used to deal with decks and porches and little additions at the back. How minor variance is being used today in residential neighbourhoods is to rebuild an entire house, and to review an application of that substantive nature takes time. Clearly, demolishing a home and rebuilding it under those circumstances, I would say, is not minor. It is stretching, I guess, the parameters of the legislation.

However, the minor variance section is structured quite well. Those tests are onerous. It means that any minor variance has to meet the intent and purpose of the zoning bylaw and the intent and purpose of the OP classifying it as minor.

The Chair (Mr. Peter Tabuns): Ms. Denny, I'm sorry to say that you've run out of time.

Ms. Eileen Denny: Okay.

The Chair (Mr. Peter Tabuns): Thank you very much for your presentation.

Ms. Eileen Denny: Thank you.

SUSTAINABLE PROSPERITY

The Chair (Mr. Peter Tabuns): Our next presenters are Sustainable Prosperity: Mr. Wilson and Mr.

Thompson. You have up to 15 minutes. If you'd identify yourselves for Hansard—or yourself.

Mr. David Thompson: Thank you, Mr. Chair. My name is David Thompson. I'm with Sustainable Prosperity. My colleague Mike Wilson sends his regrets.

I'm very pleased to be here to speak to Bill 73 and focus on the amendments to the Development Charges Act—the easy stuff, as it were. I'll try to keep it quick.

Sustainable Prosperity is a research and policy network based at the University of Ottawa, bringing together business, policy and academic leaders to inform policy development. We focus on market-based policies to build a stronger, greener economy in Canada.

What we've seen, in researching fiscal policy across Canada, is that prices are actually a strong influence on decisions not just of businesses but also individuals and governments.

We've also observed that government fiscal policy, including that of municipal governments, both on the revenue side and on the spending side, affects prices. When governments make changes to prices using their fiscal policy instruments, they are more successful in achieving their other policy goals. We can think of several commonplace examples; for instance, when governments reduce taxation on earnings in order to encourage savings through RRSP programs, when governments impose taxes on tobacco in order to reduce youth uptake in smoking, and when governments adjust prices on things like plastic bags, landfill tipping and carbon pricing in order to reduce waste and pollution. So using fiscal instruments in order to achieve policy goals is well established in Canada.

What I'm going to speak to right now is four considerations for reform of the Development Charges Act: policy goals relating to urban form; financial sustainability of municipalities; program funding, including social programs; and fairness.

A quick quote from the Ministry of Municipal Affairs and Housing: "Ontario's long-term prosperity, environmental health and social well-being depend on wisely managing change and promoting efficient land use and development patterns." This explains why the government of Ontario has adopted a very clear policy direction relating to urban form: to reduce suburban sprawl; to direct growth to built-up areas; to use land efficiently, thereby minimizing air quality impacts and climate change emissions; and to promote energy efficiency.

Municipalities across Ontario have also adopted similar public policy goals in relation to urban form. The implication for development charges is enabling municipalities the freedom to set their own development charges to allow full cost recovery. It means they can adjust their development charges to send the right price signals to the market to reduce future sprawl—not current sprawl—and direct future growth to more-established areas, thereby reducing automobile dependency and reducing emissions and other costs.

Another important consideration in reform is fiscal sustainability of municipalities and their ability to deliver

on programs, including social programs. We all know that municipal governments in Ontario have taken on a greater range of program delivery over the years, including delivery of programs for lower-income citizens. Municipalities, of course, need resources to finance those programs, and their main source of unrestricted funding is property taxes. However, if the costs to municipalities of new development are not covered by development charges, then municipalities have to draw away revenues from property taxes in order to pay for those costs of development—either that or go into debt or require tax increases. Enabling municipalities to fully recover the costs that they feel are due to development can help to alleviate their fiscal position but also, indirectly, to maintain program spending.

The final consideration is the question of fairness. Is it fair for existing property owners to subsidize the costs of new development through their property taxes if development charges are not high enough to cover the full costs of development that are imposed on municipal governments? This is addressed by the principle that Bill 73 attempts to support, the principle of growth paying for growth, and that is supported by allowing municipalities full cost recovery.

Bill 73 takes a lot of steps in the right direction on amending the Development Charges Act; however, it could go further. What we need to bear in mind in this is that giving municipalities the authority to fully recover their costs does not always mean that municipalities are going to do that. Municipal councils are going to decide in their particular circumstances whether and to what extent to recover costs. They're going to be accountable to voters in doing so and they're also going to be subject to market discipline to make sure that they're not going overboard because development can easily go to the next municipality or next county over.

1720

I want to quickly address three specific changes in Bill 73 to eligible services, the 10% reduction and the 10-year average service cap. I'm sure you've heard a lot about this in the last few days and know a lot about it from before that. Ineligible services: Bill 73 would revoke the ineligibility list, which is a good first step towards full cost recovery for development. But it would still allow for regulation to prescribe ineligible services and thereby create a risk that future governments could simply reinstate the full list of ineligible services or even more services without any legislative oversight. Bill 73 would have greater transparency, ensure greater deliberation and accountability if it omitted that regulatory avenue and required legislative change.

On the 10% reduction, Bill 73 adds transit services to the list of services excluded from the 10% reduction requirement, which again is a good step in the direction of full cost recovery and also will assist municipalities in the development of transit. But it still leaves in place a 10% loss for municipalities in respect of other services. That loss, in conjunction with the other losses to municipalities caused by the DCA, adds up to tens or hundreds

of millions of dollars. For full cost recovery, what would need to happen with the act is simply the repeal of section 5(1)(g), the 10% reduction.

The third change in Bill 73 that I wanted to address was the 10-year average service level cap. Bill 73 would relax that restriction, but only for services prescribed by regulation. That could be a move towards full cost recovery. It depends, though, entirely on what the regulation is that's passed, if any. Also, it leaves it open again for future governments to decide, without legislative oversight, that calculations for all services will be subject to the historic service levels requirement. A more reliable way to make that change towards full cost recovery would be to allow the municipalities to determine needed service levels, taking into consideration historic demand and future anticipated demand, but not imposing a particular formula for calculating it.

In relation to those three changes, Bill 73, as I said, makes some good first steps. It could go further towards full cost recovery. There are a couple of important issues to also address here. One is housing affordability and the other is economic growth and jobs.

On housing affordability, you sometimes hear the argument that lowballing development charges is going to make housing more affordable. The problem with that argument, of course, is that it ignores important costs beyond the upfront sticker price of the house. First off, it's not a reduction in costs; it's a shifting of costs. Instead of the developer paying or the homeowner paying, we're now shifting the costs of new development onto existing taxpayers, including lower-income people and people who live in resale and rental housing. It makes their housing less affordable when they have to pick up the costs of new development.

A second area on affordability is transportation costs. If low development charges encourage far-flung suburban sprawl that exacerbates automobile dependency, then you get homeowners who are now required to buy another car for their family. That costs, according to the CAA, \$10,000 per year per car. If you add that up over the lifetime of a typical mortgage, it increases the costs of housing by hundreds of thousands of dollars, taking it out of the range of truly affordable housing. Then there are additional costs of automobile dependency: smog, collisions, climate change emissions, policing, emergency responses. These are real costs, borne by real people and real businesses and municipal governments.

The other consideration is economic growth and job creation. Allowing municipalities the authority to require full cost recovery, if they choose to do so, can help them not only restrain sprawl, but direct growth—because growth is going to happen—into established areas, increasing density. By doing so, you can generate what economists call economies of agglomeration. These are economies that boost economic growth by spreading the costs of infrastructure over more businesses and households in order to reduce the per-unit costs, and setting it up so that firms have more potential workers to choose from because of the population density, resulting in better

employment fit and higher productivity. Job seekers will have more employers to choose from, reducing unemployment. Greater density of firms results in knowledge spillovers, increasing productivity.

I could recap, but I think that I'm almost out of time, and I wanted to leave a little bit of time for questions.

Thank you very much for your attention so far.

The Chair (Mr. Peter Tabuns): Thank you very much, Mr. Thompson. You're right; we have about 40 seconds per party. I'll start with the government.

Mr. Peter Z. Milczyn: Thanks for your presentation.

Your view is that this legislation is going in the right direction to help municipalities raise, potentially, tens of millions of dollars or more, but also leaves them the ability to choose to not do that if, for economic reasons, they want to attract investment. It provides choice to municipalities in how they want to go.

Mr. David Thompson: Yes, greater choice and flexibility, recognizing the democratic accountability that municipalities have.

The Chair (Mr. Peter Tabuns): Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. We appreciated it very much.

I just wanted to tell you that I think that everyone who has presented in the last two days on this bill generally agrees that growth should pay for growth. The challenge is just making sure that can happen: that one side or the other isn't able to skew it so that, first of all, they're not paying enough for growth. That's your concern. The second one, of course, is that municipalities aren't set—it seems to be easier to tax those that we don't know than those that we do know; so to make sure that development charges are not too high, to make sure that they're paying for more than the growth that they're causing—

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hardeman. I appreciate your comments.

We go to Mr. Hatfield.

Mr. Percy Hatfield: Welcome. Thanks for being here.

If growth should pay for growth, why do we have 10% reductions?

Mr. David Thompson: Exactly. If we wanted to accelerate growth—and maybe say that growth is not going to quite pay for growth.

The Chair (Mr. Peter Tabuns): Thank you very much.

MUNICIPAL FINANCE OFFICERS' ASSOCIATION OF ONTARIO

The Chair (Mr. Peter Tabuns): Our next presenters are the Municipal Finance Officers' Association of Ontario. You have up to 15 minutes. Please introduce yourselves for Hansard.

Ms. Patti Elliott-Spencer: Good afternoon. I'm Patti Elliott-Spencer. I'm the president of the Municipal Finance Officers' Association of Ontario. I'm also the general manager of community and corporate services for the city of Barrie, but I am speaking on behalf of MFOA today. With me is Dan Cowin, who is executive director of the Municipal Finance Officers' Association of On-

tario, and Shira Babins, who is our manager of policy. Thank you for the opportunity to speak on this topic.

Just a little bit of background on us: We're an organization that was established in 1989 to represent the interests of municipal finance officers across Ontario. We promote the interests of our members in carrying out their statutory and other financial responsibilities by initiating studies and sponsoring seminars to review, discuss and develop positions on important policy and financial management issues.

1730

We have been keenly involved in the development charge issue since it was introduced back in 1989, and we were very active in the review that was announced in 2013. We actually produced two reports at that time: first, *Frozen in Time: Development Charges Legislation Underfunding Infrastructure 16 Years and Counting*, as well as a second document, *Dispelling Development Charge Myths and Misconceptions*. These documents were supported by many municipalities as well as AMO, MARCO and LUMCO.

Development charge policy has a significant impact on the quality and quantity of infrastructure in Ontario. Development charges are the only substantial own-source-revenue tool that municipalities have to recover the cost of growth-related infrastructure. Development charge proceeds have exceeded \$1.3 billion per year, every year since 2010, with as much as \$1.9 billion in 2012. In 2013, 204 municipalities collected development charges.

As our previous speaker noted, existing legislation, and the new legislation, to some extent, keeps these principles. There are a number of ineligible services in the current act. The new act moves that into regulations but there will still be, possibly, ineligible services. There are also ineligible costs. There is the 10% discount which is mandatory. We feel it is somewhat arbitrary. It just reduces the costs that can be recovered and does not support growth paying for growth.

Finally, service levels are constrained in that we can only plan based on an historical average rather than actually trying to fund our growth based on our current and forward-looking service levels.

According to research by Watson and Associates, who presented earlier, after all of the various restrictions that are in the current act, DCs now only pay for approximately 80% of growth-related costs. That puts significant pressure on municipalities, which are faced with huge infrastructure deficits as well as demands for new services, and trying to rehabilitate and maintain our existing infrastructure.

It was our hope that this review would reverse some of the principles that were in the 1997 act and move toward more of growth paying for growth. That is our main principle in presenting: that growth pays for growth. Also, we believe that the legislation should be permissive rather than prescriptive. Municipalities are a strong form of government. We cannot have one-size-fits-all. We are of different sizes, different services. We would like to see

the new legislation understand that and not be prescriptive and overly narrow.

We support reforms to the act, obviously, to recover as close to 100% of growth costs as possible. We are very pleased to see that the new act allows for greater recovery of transit costs and for waste diversion, so those are significant changes. Many of the critical details, however, surrounding these changes have yet to be announced, as they're being done through regulation. There were a number of municipalities involved in working groups on the regulations over the summer but we've yet to see the results of those.

We are very pleased that the 10% discount has been removed from transit services. However, it is very important to note that many municipalities have growth-related services over and above transit. Of the 204 municipalities that collected DCs in 2013, only 37 of those municipalities have transit systems. Based on what is before us and if no changes are made to discounted services or eligible services, only 37 municipalities will actually see improvement in their DC collections as a result of the changes to this bill, whereas the balance will see more accountability measures and more reporting measures.

MFOA appreciates that transit will be allowed to have somewhat of a forward-looking service level and will be able to be done in the same way as Toronto had been able to do it in the Toronto-York subway extension. We, however, do believe that the discounts for other services should be eliminated. That is really one of the reasons why DCs only cover about 80% of growth-related costs, because we have this arbitrary 10% discount.

Our recommendation is that the 10% reduction on services actually be removed from the act. I have it in detailed wording here as to the sections of the act, but I think that gets to the point.

The act also proposes that there be a link to asset management plans. MFOA has long been a supporter of asset management plans and long-term financial planning. Long-term financial plans should make provisions for the repair and rehabilitation and eventual replacement of all assets, including those in the growth-related capital forecast contained in the development charges background study.

MFOA also supports the requirement that future growth-related assets be part of an asset management plan. The province, however, should not prescribe the format of the asset management plan. Municipalities should be permitted to augment existing asset management plans using existing approaches and methodologies. Development of these plans requires considerable staff time and financial resources, and requiring asset management plans to be redone to a new methodology would place a burden on a number of municipalities.

MFOA also notes that not all growth-related assets are funded by development charges. We have ineligible services. We also have services that are built within subdivision developments which are turned over to municipalities, for which we must plan for their eventual replacement. Therefore, an asset management plan must include all growth-related assets, not just those funded by

development charges. Again, we do support including the link to asset management plans, but we do think that it should be more fulsome and for all growth-related assets as well as existing assets.

There were changes in the proposed act to change the timing of when charges would be payable such that they would be payable upon the first building permit. We believe that municipalities should be given the flexibility to respond to local circumstances and not be limited by prescriptive standards of making the payment at that point in time when multiple permits are issued over the development of a building.

Municipalities and developers should be able to create alternative arrangements such as setting-specific or negotiated timelines for the issuance of building permits and the indexing of charges. Therefore, we recommend that section 6 of Bill 73 be repealed.

MFOA also proposes that the status quo be maintained for a treasurer's financial statement. Within the proposed bill there are a number of increased accountability measures being put on municipalities to provide additional details on the use and source of funds. Currently, we have to complete a schedule in the financial information return, which is mandated, where we are required to disclose sources and uses of development charges. The province does use those funds, so there's considerable accountability in there.

As well, municipalities have very public budget processes where all of the information that goes into our budgeting and the use of our development charges is available to the public and developers to come and see. We have very open financial statements, so we feel that these additional accountability and prescriptive measures really are not necessary. It is our recommendation that subsection 7(1) of Bill 73 be repealed as well.

The final item we have recommendations on is with regard to voluntary payments and the proposal within the bill that they not be allowed. Our previous speaker—three speakers ago—from Watson's spoke to this issue. I am from the city of Barrie, one of the examples that he used. We do have a voluntary payment agreement. Without that agreement, the city of Barrie would not meet its growth targets. We would not be able to grow because of the financial burden upon our city.

That freely negotiated agreement was based on a detailed process of fiscal impact analysis and sitting down at the table. It was voluntarily proposed by the developers and they signed on. This section would make those types of agreements essentially illegal, and I think it would severely impact growth in a number of municipalities where we are anticipating growth and to meet our growth targets within the province. I think that if there is a freely negotiated agreement between a development community and a municipality, it should be allowed to remain.

There are a number of other issues that I won't spend a lot of time talking about. There are provisions for area rating, but we don't think that should be prescribed; municipalities actually do that right now through their development charges studies.

That basically concludes my remarks.

The Chair (Mr. Peter Tabuns): Thank you very much. We have roughly a minute per caucus. I'll start with the official opposition: Mr. Hardeman.

1740

Mr. Ernie Hardeman: Thank you very much for your presentation. One of the things that I'm concerned with: If you had full recovery—total cost, growth pays for growth and all the things you talked about, no limitations—would you still need the voluntary payment? There should be an ability for negotiating payment over the cost of growth paying for growth, recognizing that the new home owners are going to pay for it all.

Ms. Patti Elliott-Spencer: If the act were amended to eliminate the 10% discounts and the ineligible services, those voluntary payment agreements would largely not be required.

Mr. Ernie Hardeman: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hardeman. The third party: Mr. Hatfield.

Mr. Percy Hatfield: At a rough count, I guess, you've suggested 15 appeals or amendments, from the written submission anyway. Is getting rid of the 10% discount and ineligible services the number one?

Ms. Patti Elliott-Spencer: I would say that the discount is probably the highest priority among municipalities. I think it would provide a benefit to all municipalities within the province. The ineligible services certainly would benefit many of us, but not all of us have the various lists of services. But yes, they're very high priorities.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hatfield. Mr. Rinaldi or Mr. Milczyn? Gentlemen, I'll take either of you.

Mr. Peter Z. Milczyn: Okay. Thank you very much. I understand your concern around the 10% reduction. Though it's not part of the act specifically, the government's move to allow for growth-related service levels to be utilized to calculate development charges—would that not have a bigger positive impact than even the 10% reduction?

Ms. Patti Elliott-Spencer: At the present time, it's not clear whether the regs will allow that for services other than transit—transit no longer has the 10%—so that is something that would need to be clarified. But even if you had a forward-looking service level and still had a 10% discount, you're still only recovering 90% of your costs of what you really need.

Mr. Peter Z. Milczyn: What I'm getting at is: What would increase it more, a more forward-looking service level or a 10% discount?

Ms. Patti Elliott-Spencer: I think it depends on the service, actually.

Mr. Peter Z. Milczyn: Okay. Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Milczyn, and thank you, Ms. Elliott-Spencer. We appreciate the presentation today.

CANADIAN ENVIRONMENTAL LAW ASSOCIATION

The Chair (Mr. Peter Tabuns): We go to our last presenter: Canadian Environmental Law Association. As you've seen, you have up to 15 minutes. If you'd introduce yourself for Hansard.

Ms. Jacqueline Wilson: Thank you. My name is Jacqueline Wilson. I'm a lawyer at the Canadian Environmental Law Association. Thanks very much for the opportunity to speak to the committee today.

The Canadian Environmental Law Association is a specialty legal aid clinic whose mandate is to look at environmental issues and environmental law policy issues in Ontario.

I'm going to spend the majority of my time today on the Development Charges Act. I'm pleased to say that I'm echoing many of the comments and suggested amendments that you've just heard from the last two speakers. Then I will make a couple of recommendations on the Planning Act amendments and hopefully leave time for questions.

Currently, provincial planning policies create a shared vision for compact, smart, environmentally sustainable land use. I would encourage the government to see the Development Charges Act as a planning tool that can influence whether growth will be compact, which is what we want to encourage, or sprawling, which we want to discourage.

With that lens in mind, we support the inclusion of subsections 2(9) and 2(11) in the Development Charges Act, which would allow municipalities to target prescribed services in prescribed areas and to charge different rates for different parts of the municipality. The reason we support that is, currently most development charges are calculated on a municipal-wide basis and then averaged, even though new infrastructure costs tend to be quite a lot higher for developments in sprawl-type development areas rather than the high-density areas that we're trying to encourage. That means the current averaging approach is subsidizing sprawl. Those two amendments, to subsections 2(9) and (11), would be one way for municipalities to better target certain areas and services and better support those provincial planning objectives.

The next area that I'd like to address has been talked about quite a bit by the last two speakers, and that's the changes that are being made to the treatment of transit under the Development Charges Act. The current act structure, by design, underfunds transit by having it in that category with the mandatory 10% discount. So we certainly welcome moving transit out of that category. We point out that that same 10% deduction hasn't been applied to roads, so there's an incentive there for municipalities to spend transport money on roads rather than transit, because they'll be able to recover more of their costs.

We also support section 5.2, which will allow for a planned level of service, rather than the 10-year historical service level, to calculate development charges. That 10-year historical average approach has been particularly

problematic for development charges looking at transit. It's very ill-suited for forward-thinking, sustainable, growth-related transit planning, which, again, we're trying to encourage. If a region has rapid growth, there's often an escalating transit cost.

We've also seen an important shift that we would certainly like to encourage in priority given to transit infrastructure. If a region didn't have a public transit system, then development charges couldn't be used at all under that model. Of course, if the transit system was minimal but the municipality was looking to expand, the development charge would be severely restricted.

We note that the planned level of service is positive, but we're looking forward to seeing what's in the regulation to make sure transit is included.

Those amendments for transit raise many of the issues spoken to by the last two speakers, though. The proposed amendments should go farther. We urge the government to take this opportunity to get rid of the arbitrary barriers in the Development Charges Act that restrict municipalities from recovering the full cost of growth-related capital costs for infrastructure. We would recommend completely removing the 10% discount category from the Development Charges Act. The reduction is arbitrary, and it's necessarily creating funding deficits.

We'd also recommend removing the requirement for the 10-year historical average basis for development charges in all cases for those same reasons. Many of the problems that have been identified for transit exist for other services.

Finally, we also recommend, echoing the last two speakers, removing the list of ineligible services altogether. There's no reason for services to be completely excluded from recovery through development charges.

One argument that is raised in support of this list of ineligible services is a concern that these are the types of services that will benefit all residents, and so development charges would be overburdening these new residents. That concern is already dealt with through the methodology to calculate development charges in the act. When you look through the methodology that's used to calculate development charges, there are already provisions that restrict development charges only to that piece that would actually be related to the growth. For instance, paragraph 5(1)(e) provides that if expenditures that were needed to service new development end up benefiting existing development, they are not included in development charges. So the increase in the need for service has to be reduced by the extent to which an increase which was funded by development charges would actually benefit everyone. There are already provisions in the act that are making sure these development charges aren't covering too much, so there's no reason for the ineligible services list, which is an additional, arbitrary barrier to the recovery of costs.

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The final issue I'd like to address under the Development Charges Act is, we do support the requirement for the development charge background studies to include an

asset management plan and a demonstration of the financial viability of the assets over their full life cycle. We also support the treasurer's statement identifying assets whose capital costs were funded through development charges, and again, how any shortfall will be funded.

We'd like to suggest a further amendment to address concerns about discounting that's being provided under the act. We'd ask that these treasurers' statements also be required to outline a calculation of what the municipality is able to charge under its development charge bylaws, compared to what the municipality has chosen to charge.

Right now, there is no way for citizens to know when their governments are choosing to discount development charges or by how much. That requirement would bring the further transparency and accountability to the process that is being dealt with in those amendments.

Those are my comments about the Development Charges Act. I'm going to make a few brief comments about the Planning Act and, hopefully, have some time for questions.

In terms of the section 8 suggestion to add mandatory planning advisory committees, we generally support that idea, but we suggest providing a bit more clarity about the role and the makeup of the committee in the legislation.

One precedent that I'd urge you to look at and consider is the National Drinking Water Advisory Council, created by the US Safe Drinking Water Act in 1974. It has been around for a long time, and it's a long precedent to look at.

That advisory council is generally understood to be a good and another opportunity for stakeholder and public input into, in that case, the Safe Drinking Water Act in the United States. That legislation outlines the council's function, which is to advise, consult with, and make recommendations to the relevant decision-makers. It also dictates the makeup of the council.

They have a 15-person committee. Five people are appointed from other levels of government. That's a federal statute, so other levels of government with concerns about those issues are on the committee. Five members are appointed from private organizations or groups demonstrating an active interest in the field. So it could be university professors and other experts in the field. The final five members are appointed from the general public. That's an interesting breakdown. I think it's an interesting model to consider.

We also recommend that there be some kind of transparent process to apply for positions on this committee; clear, merit-based criteria for members; and a public call for applications.

My last comment before we move to questions is, although we're generally supportive of the provisions in the Planning Act to facilitate alternative dispute resolution, we have concerns about the part of those provisions that allows council to choose as many of the appellants as the council considers appropriate to participate in the ADR.

ADR won't work if some of the appellants aren't invited. Even if there is some kind of resolution for some of the appellants, there are still going to be these outlier

appellants who will have to go forward with the process. The municipality shouldn't be able to sidestep one appellant's concerns and choose who is participating. Of course, we have particular concerns about public-interest appellants being left out of that process. We would ask for that to be amended so that all appellants are invited to participate if there's going to be an ADR process.

Thanks very much.

The Chair (Mr. Peter Tabuns): Thank you very much. Colleagues, we have about a minute left per party. Mr. Hatfield, if you would start?

Mr. Percy Hatfield: Did I miss it? Did you talk about the parks plan and the reduction in parks?

Ms. Jacqueline Wilson: I didn't, but—

Mr. Percy Hatfield: But you're from environmental law. Why didn't you?

Ms. Jacqueline Wilson: I'm from the Canadian Environmental Law Association. We oppose the change to the payment that would see a reduction in the amount of money set aside for parks.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Okay. The government: Mr. Rinaldi.

Mr. Lou Rinaldi: A whole minute. Thank you for being here today.

I guess the part that the municipality has to be more accountable to the decision-making when it comes to Bill 73, in many facets.

You touched on the review process, with members of the public being part of a committee in a municipality. Can you elaborate a little bit more about the importance of municipalities making these decisions within the structure of the bill and how important that is?

Ms. Jacqueline Wilson: I think all of the changes that are going to increase public participation in this kind of decision-making, like land use planning, are extremely important, so we are heartened to see things that will help to increase public participation. We're interested in, for instance, these public advisory committees, but we're also interested in the notice requirements being put into the official plans, to allow the public to know how they'll get notice of decisions going forward.

The alternative measures: We certainly want to see more technology being used, and that's great; of course with the caveat that we want to make sure that that actually gives notice to more people, and that it isn't somehow a way to have notice be restricted.

Mr. Lou Rinaldi: Thank you.

The Chair (Mr. Peter Tabuns): To the opposition. Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. I want to go to the planning advisory committee having at least one member of the public. Recognizing that most of the planning advisory decision-makers are in fact elected local officials—so they were picked by the people to make these decisions on their behalf—you suggested that the public participation should be defined as having the right people appointed for their expertise, I think, something of that nature. How

would you suggest that we find the right person in those committees to help give advice to the people who are going to make the decision, recognizing that everybody else on the committee are going to be decision-makers? That one person is just there to give advice at the public meeting. How would we pick the right person, if I was the local planner in charge?

Ms. Jacqueline Wilson: I think that our submission about having a clear, merit-based process that would have a public call for applications would allow for the broadest array of people to apply for the position. I'd suggest as well that it might be worthwhile to expand this

committee, so that it's not only one person. Like the example I gave: To have five people with some kind of expertise, five people from the community who are general public participants, might allow for better participation and better decision-making.

Mr. Ernie Hardeman: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Ms. Wilson. Thank you, Mr. Hardeman.

Colleagues, the committee is adjourned until 2 p.m. on Monday, November 9, 2015. Please note that the committee is scheduled to meet in room 151.

The committee adjourned at 1758.

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Première session, 41^e législature

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
SOCIAL POLICY

Monday 9 November 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE

Lundi 9 novembre 2015

*The committee met at 1401 in room 151.*SMART GROWTH FOR OUR
COMMUNITIES ACT, 2015LOI DE 2015 POUR UNE CROISSANCE
INTELLIGENTE DE NOS COLLECTIVITÉS

Consideration of the following bill:

Bill 73, An Act to amend the Development Charges Act, 1997 and the Planning Act / Projet de loi 73, Loi modifiant la Loi de 1997 sur les redevances d'aménagement et la Loi sur l'aménagement du territoire.

The Chair (Mr. Peter Tabuns): Good afternoon, everyone. The Standing Committee on Social Policy will now come to order. We are here to resume public hearings on Bill 73, An Act to amend the Development Charges Act, 1997 and the Planning Act. Please note that additional written submissions that were received are distributed today to committee members.

MR. TOM MRAKAS

The Chair (Mr. Peter Tabuns): We have as our first presenter, from the town of Aurora, Mr. Mrakas. Please, if you would have a seat. Presenters have up to 15 minutes for their presentation. Any time remaining will be used by committee members for questions. The rotation will start with the government. If you'll introduce yourself for Hansard, we'll go from there.

Mr. Tom Mrakas: Good afternoon, Mr. Chair and honourable members of the committee. Thank you for the opportunity to speak briefly to you today about Bill 73, Smart Growth for Our Communities Act, 2015.

My name is Tom Mrakas and I am a councillor in the town of Aurora. I'd like to stress that my comments and opinions today are mine alone and do not necessarily represent those of the council or municipality of the town of Aurora.

I want to begin by saying that the proposed changes to the Planning Act are a very welcome first step towards overhauling the current regulatory framework that governs how our towns and cities are planned in this province. I can tell you, quite bluntly, that what we currently have does not work and any change that will move towards rectifying this current situation is a positive one.

The time I have today is limited and the proposed changes to the act are substantial, so I will limit my com-

ments to a few key areas. First though, let me address what is not covered in the Smart Growth for Our Communities Act, 2015, and that is the urgent need to limit, or at least redefine the powers of the Ontario Municipal Board as it speaks to planning matters at the municipal level.

As a municipal councillor, I can tell you that planning meetings are an extremely frustrating experience, and that's being polite, quite frankly. At every planning meeting, regardless of what is before us at council, regardless of how wild and woolly the application, regardless of how many requested changes to our official plan, zoning bylaws or what have you, the elephant in the room is the power of the OMB to override what we've decided.

There is an expectation, real or imagined, by everyone involved, from staff to the public to the proponents, even to council members themselves, that regardless of the decision a council makes, it will simply be appealed to the OMB. The perception is that we, as a council, have no real power to enforce our official plans. Hence, public planning meetings feel like a pointless, futile exercise for council, staff and, in particular, the residents affected.

The Planning Act requires us to have an official plan. That official plan must conform to all of the provincial policy statements. It is submitted to an approving authority who, by approving it, certifies that our plan does conform, is compliant, and we have created, as a council, a community vision that incorporates the provincial planning requirements. Property is bought knowing how it is zoned and what our official plan says it can be used for and how. It isn't a surprise to anyone who buys property.

Why, then, do we as a municipality have to defend that plan over and over and over, and spend millions of dollars of taxpayers' money in the process when we as a council decide to reject amendments to it and uphold our approved plan?

Right now municipalities have all the responsibility and all of the cost, but, clearly, we have no authority and that simply has to change. We should have a say in how our community grows. We should have a say in how our community looks. That isn't NIMBYism; that's engagement and that's commitment to our community.

I understand that legislation that speaks to the power and authority of the OMB is similarly under review; however, I say that time is of the essence and, again, with the greatest respect, regardless of what changes are made to the Planning Act, if the scope of the role of the OMB is not addressed, then it will all be for nothing, quite frankly.

With all that being said, let me get to my points about Bill 73.

First, I absolutely and wholeheartedly support the proposed change to subsection 3(10) that requires municipalities to update their official plan every 10 years, as opposed to every five years, as is currently the case. Updating an official plan takes literally years of work, thousands of staff hours, multiple meetings of council and numerous public consultations and open houses, and, of course, an incredible amount of municipal resources and taxpayer money. But at the end of it all, after the public's approval, council's approval and, in our case, the region's approval, what do we have left? An OP that is good for a year, 18 months at best, before we have to do the whole process again. That is not efficient or effective public planning.

So yes, I support this change. I do, however, concur with the concern raised by others that we need a better definition of what constitutes a new plan. I understand that there is a working group being developed to address this and I look forward to the results of their work.

I also support the addition of a ban on global appeals of official plans. Many of us who sit around municipal council tables are familiar with this tactic. Global appeals tie up a council in hearings for months, if not years, on end. All the work and the time and the money that has gone into the careful creation of the most important planning document a town can have—its official plan—goes down the drain while we are forced to fight a frivolous, costly and often ultimately futile fight. I support the proposed ban on appeals of both new official plans and comprehensive zoning bylaws by not permitting any proposed amendments for at least two years, unless it is the municipality itself that is making the amendment.

I also support the proposed change that would limit appeals on certain matters of provincial interest, such as vulnerable areas under the Clean Water Act, greenbelt area or the Oak Ridges Moraine Conservation Plan. I particularly support the proposed limit on appeals of population and employment forecasts assigned through the growth plan.

I also welcome the proposed addition of the availability of mediation to address conflicts over planning decisions. It is, at least, acknowledgement that there should be an alternative to an OMB hearing. The weakness, in my opinion, to the proposed change is that mediation will not be mandatory; it will be voluntary. It also won't be binding. I don't think any party would try to exercise this option. Also, it reinforces the notion that municipalities have to negotiate the enforcement of their own official plans. It suggests give-and-take. I simply don't agree with that. Just who is giving and who is taking? I heard this line from a speaker at a recent meeting of ours and I think it sums this up quite nicely: "Municipalities are asked to negotiate the moon and forced to settle on the sky." Municipalities shouldn't be put in the position of having to negotiate away their vision of their community.

Finally, I support the proposed change that would require that those proponents who argue a council's deci-

sion is not consistent with, or doesn't conform with, a particular part of the provincial plan will now have to state clearly in their notice of appeal how council's decisions were inconsistent or fail to conform with a provincial policy statement. This is great news. Councils will now have the opportunity to review just what it is exactly that's being appealed. However, I am surprised this wasn't necessary in the first place, but it does lead me to my final, overarching comments.

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The proposed changes in Bill 73, as they speak to limits on appeals, are a good first step, but they don't go far enough. I strongly suggest that appeals should be strictly limited. Actually, amendment requests should not be allowed to be put forward at all unless proponents can demonstrate that the proposed changes to the official plan or zoning bylaw fulfill a changing community need or in some way better our community. It can't be simply that proponents want to jam in more houses than the plan allows and then call that "fulfilling the requirements of the Places to Grow Act." The cannibalization of every scrap of green space for Legoland-like housing can hardly be said to be fulfilling a provincial interest.

Right now, municipalities across this province are being asked to review application after application, requesting amendment after amendment. It's planning by pieces: a little change here, a bigger change there until, at the end of it all, our official plans are shredded and bloodied, suffering a death by a thousand cuts. Quite honestly, we are tired of fighting a battle of interpretations.

But what is the alternative? Municipal councils are put in the position of having to accept these amendments or risk an appeal to the OMB. OMB appeals, as your own Ministry of Municipal Affairs and Housing documents state, are extremely expensive and time-consuming and should be avoided at all costs. Actually, they didn't say that part but I think it's pretty much understood. So we rarely defend our own official plans as a council because we can't waste taxpayer money on losing battles.

Yes, official plans aren't carved in stone. There does have to be a degree of flexibility. Things change and situations evolve. But who gets to decide how much change is reasonable? Shouldn't that be a municipal council? I understand that there needs to be a body to which proponents and communities alike can appeal municipal planning decisions, but why does the OMB get to define what my community looks like? Isn't that what our official plan is for? Isn't that why we spend the time, money, effort and municipal resources to create these official plans to begin with?

Any other decision by a municipal council is only subject to appeal through a judicial review. Why are planning decisions any different? They should be subject to the same process. Did council overstep itself? Was there an error in that process? Was there an error in the law? If the answer is no, then I ask you: Just what is being appealed?

I believe that the Planning Act should outline in very specific and very limited terms the basis on which a mu-

nicipal council decision to refuse an amendment to its official plan or zoning bylaw can be appealed.

Our official plan is our vision for our community. It defines and describes the place we call home. But home isn't just a house; it isn't just some place where you sleep; it's where you live, in every sense of the word. It's where you connect, build and engage with your community.

Yes, communities grow over time, but the drivers of community change should be the community itself. The community we have should be the community we want. That's smart planning. That's smart growth.

Thank you, Mr. Chair and honourable members, for affording me the opportunity to speak to you today about Bill 73. I look forward to reviewing the response of this committee to comments provided today.

The Chair (Mr. Peter Tabuns): Thank you, Councillor. We have about a minute per caucus. We'll start with the Liberals. Mr. Milczyn?

Mr. Peter Z. Milczyn: Thank you, Councillor Mrakas, for coming down this afternoon. I know that MPP Ballard has been raising a lot of these issues and how they affect Newmarket-Aurora, including growth-related issues like extending two-way GO service and how growth is affecting your community.

You outlined a number of the changes in this act that will relate to how municipalities can strengthen and protect their official plan policies. Do you think that's going to save your municipality money?

Mr. Tom Mrakas: It's a fair question. I think that at the end of the day it doesn't come down to whether we're able to save money. I think the municipalities in general should have the authority, at the end of the day, to decide on how their community should be built out. Each community is unique on its own—

Mr. Peter Z. Milczyn: What I was getting at is that the changes to the process mean your planning staff will have more time to deal with a vision for their community as a—

The Chair (Mr. Peter Tabuns): I'm sorry to say, Mr. Milczyn, you're out of time. We'll go to the opposition. Mr. Hardeman.

Mr. Ernie Hardeman: Thank very much for your presentation. You mentioned a review of the OMB. Of course, this legislation does include part of that. That has been our concern: that maybe the cart is in front of the horse here. The part that refers to the OMB in this legislation should have been put with the review that they're doing on the complete OMB operations.

What is it that you believe we could do? You suggested that we have a judicial review prior to an OMB review on planning matters. Do you not have a concern that that, in fact, would make it more expensive? Every time somebody didn't agree with it they would go to the judicial first. They have no expertise in planning matters. They would then refer it to the OMB. Wouldn't that make it more drawn out than helpful?

Mr. Tom Mrakas: I definitely think it would make it more drawn out and I don't think my intent was to say that it should go to a judicial review ahead of time. My point

on that was that on most decisions that council makes, they are subject to judicial review if they are to be appealed.

The Chair (Mr. Peter Tabuns): Councillor, I'm sorry to say—

Mr. Tom Mrakas: I'll just say that I believe that mediation is the best way to go.

The Chair (Mr. Peter Tabuns): Third party. Mr. Hatfield?

Mr. Percy Hatfield: Welcome, sir. I assume you agree with the philosophy that growth should pay for growth. You didn't really touch on development charges and that some are discounted and some services are ineligible. Is that fair or should growth pay for growth?

Mr. Tom Mrakas: Ultimately, I did not go in depth about the development charges. I do agree with the statement that growth pays for growth, to a certain extent, but my main focus here today was to deal with the Planning Act, specifically. Really, I'd like to take a better look at the Development Charges Act, and I could answer those questions at a different time.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you, Councillor.

Mr. Tom Mrakas: Thank you Mr. Chairman. Thank you, committee members.

REGIONAL MUNICIPALITY OF WATERLOO

MAYORS AND REGIONAL CHAIRS OF ONTARIO OF SINGLE TIER CITIES AND REGIONS

The Chair (Mr. Peter Tabuns): Our next presentation is from the Regional Municipality of Waterloo, Mayors And Regional Chairs of Ontario of Single Tier Cities and Regions group. Mr. Seiling?

Mr. Ken Seiling: Hi.

The Chair (Mr. Peter Tabuns): You have up to 15 minutes. If you would introduce yourself for Hansard.

Mr. Ken Seiling: Give me the sign if I'm getting close.

I think you all have the three pieces in my notes: the regional report and also the submission from MARCO, which is also the LUMCO submission as well. I'm here in a dual capacity both as the chair of Waterloo region and also as the chair of the MARCO group.

As you know the region of Waterloo is an upper-tier municipality comprising three cities and four townships, currently about 570,000 people and growing very rapidly. It's one of the growth centres of the province of Ontario.

MARCO is a group comprised of the regional chairs and the mayors of the larger single-tier municipalities in Ontario. Their names are listed there; I'm not going to bother reading them to you. They're in the list.

Thanks for the opportunity to speak to you about Bill 73. I'm going to speak, first of all, to the Bill 73 proposals to be made to the Development Charges Act and then I'll speak to the Planning Act.

Development charge policy has a significant impact on the ability of municipalities to fund the cost of critical

new infrastructure in Ontario. Development charges are the only substantial own-source revenue tool Ontario municipalities have to recover the cost of growth-related infrastructure.

The first DC legislation, the Development Charges Act, 1989, was brought forward in recognition of the fact that sustainable municipal growth and consistent service standards within a municipality depended on adequate and appropriate funding for growth.

The DC Act was amended significantly in 1997. It reduced eligible services. Some municipal services could no longer be included in a development charge calculation.

It reduced eligible costs. Some services were subject to a 10% discount, which actually was a double-counting because your planning had to take existing growth into account.

And it imposed a historic service cap. The DC legislation tied funding for future growth-related infrastructure to the average 10-year historic service standards, which transferred additional funding responsibility to existing tax and ratepayers.

The original 1989 DC legislation was consistent with the principle that growth should pay for growth. The DCA 1997 departed from this principle in several ways such that significant growth-related costs are no longer paid for by growth but are paid for by existing ratepayers. This is simply not sustainable. The 1997 act was clearly to the detriment of municipalities and their ability to fund infrastructure.

It has been very clear to Ontario municipalities for a long time now that the growth has not been paying for growth. The exclusion from development charges of key municipal services such as waste management, municipal facilities, the purchase of parkland, the statutory 10% discount for soft services, and the backward-looking 10-year historic service level cap all contribute to an increasing burden on the municipal tax levy for infrastructure that should be funded by development charges.

In the region of Waterloo alone, development charges are expected to fund only 36% of the growth-related infrastructure over the next 10 years under the current legislative framework, which is not growth paying for growth.

Equally important is the fact that the DCA as it now stands increasingly hinders our ability to achieve our shared goals for the expansion of transit and land use intensification, which are key goals of this particular government.

The changes proposed in Bill 73 address some of these issues, but it could be made much more effective with further refinement.

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To be very clear, for many years the region of Waterloo, MARCO, LUMCO, AMO, the Municipal Finance Officers' Association of Ontario and other Ontario municipalities have repeatedly called for the following changes to the Development Charges Act:

(1) include all services funded by municipalities eligible for development charges;

- (2) remove the 10% discount for all services; and
- (3) replace the 10-year average historic service level limits with a service level that is forward looking.

Bill 73 attempts to address some of this but is still too selective or silent in terms of municipal services impacted. Too much is being left to regulation. Accordingly, we are unable to estimate the full impact of Bill 73. Without the knowledge of what might be proposed by way of regulation, the legislation gives very little to municipalities and very few municipalities will have any benefit.

I want to repeat that one more time: Without the knowledge of what might be proposed by way of regulation, the legislation gives very little to municipalities and very few municipalities will have any benefit.

On August 19, the Waterloo regional council approved a response to it, and the report that is attached as a separate submission supports the principle that growth should pay for growth. It recommends changes to the Development Charges Act: to add transit to the list of services that are not subject to a mandatory 10% deduction; to allow the use of a planned level of service for services, a forward-looking approach rather than 10-year history; and to allow for development charge recoveries for waste diversion.

It urges the province to broaden the application of development charges by amending Bill 73 in order to delete the section that would require or mandate the use of area-specific development charges. We're having difficulty enough now with broad-based one-step and further parts piecemealed out. It actually puts a heavier burden on certain areas and restricts your ability to raise the money.

Add transit to subsection 5(5) to include public transit in the list of services for which development charges may be collected at the time of subdivision agreement.

Delete the section to complete an asset management plan in conjunction with the development charges study. I'm not arguing against asset management plans. We believe in them and we're doing them, but the fact that some of these are required in different forms by different government agencies for funding a specific requirement—and that doesn't take into account all those broad things—is problematic.

Delete section 8 of the bill, which would prevent municipalities from imposing charges on development other than the charges permitted by the Development Charges Act, and provide the minister with broad powers of investigation. Municipalities are open to public scrutiny and are accountable, but also special agreements sometimes will be required, particularly in the case of single-tier cities or regions where massive expenditures are required up front. Sometimes that isn't possible to do without some sort of arrangement. We haven't used it a lot, but it does get used from time to time, particularly to manage sewage treatment as one area in particular.

Repeal section 4 to remove the mandatory exemptions for industrial expansions. We're required to do all of that now, and that is actually impeding the ability to collect funds for some of the development that's required in some of the municipalities.

Repeal the section which requires a new development charge bylaw within 18 months of the new bill coming into effect. These are very costly and time-consuming background studies. We've got them in place. We can amend them accordingly, but to acquire a complete new background study across the province—this is hundreds of thousands of dollars to do this sort of thing when the work is already basically done. Why would you demand it to be done? We just finished ours a year ago; to be told we have to do another one in another year and a half from now seems a little crazy to me, and spending extra money.

We would really like to see the draft regulations. The last measure is particularly important if substantive changes are not made but much is being left to regulation.

MARCO and LUMCO have also approved—I've submitted that along with you—that we would:

Eliminate ineligible services so that all services are eligible.

Remove paragraph 8, the determination of development charges that requires municipalities to reduce their capital costs by 10%. There is already in the calculation, if you're familiar with that—some of you may be familiar with the current background studies. You already have to do an accounting for the benefit to current people. So the discount of a further 10% is actually double-counting that benefit.

Update section 5, which entails service levels—the historic one. We want to be able to have a forward-looking service level calculation.

The section on voluntary payments: We think to actually outright prohibit them without some further study is deleterious to municipalities and in some cases will, in fact, stymie development when we can't do that sort of thing.

Bill 73 changes to the Development Charges Act are a positive step forward; I acknowledge that. We are a step forward, but it's not going very far, quite frankly. The government has been listening to us; however, there's little in the current legislation to help many municipalities.

You have the opportunity to do even more and create a Development Charges Act that will better serve the residents of Ontario by providing a stronger framework to help fund growth-related municipal infrastructure. The additional changes we've recommended would provide for greater flexibility and transparency and would ensure that the essential principle of growth paying for growth continues to be realized moving forward.

Where am I time-wise?

The Chair (Mr. Peter Tabuns): You're at eight minutes.

Mr. Ken Seiling: Oh, okay.

The Planning Act: The proposed changes to the Planning Act contained in Bill 73 are moving in the right direction, and the government is to be commended for taking this initiative. We think that you're going the right way.

Municipalities across Ontario have been talking about better alignment of policy and process for some time. The implementation of the provincial Growth Plan for the Greater Golden Horseshoe has been front and centre

for many of us, especially as we work to establish new official plans to reflect community and provincial priorities, including the ability to realize new economic development opportunities.

The Planning Act changes proposed in Bill 73 address many of the concerns previously expressed by the region and MARCO and others, including the prohibition of appeals to the OMB where the municipality has amended its planning documents to comply with provincial requirements under the various pieces of legislation; the prohibition of global appeals of an entire official plan; lengthening the review period of any new municipal official plan to 10 years; and the proposed two-year moratorium, after approval of a plan, on outside requests for amendments to a new official plan.

Generally, the Planning Act amendments contained in Bill 73 should provide for increased opportunities for public input, increased stability with respect to the appeals process and additional opportunities for dispute resolution at the municipal level. However, there is one additional change that would further strengthen the process from the municipal perspective. The region of Waterloo recommends that Bill 73 be amended so that conformity updates to official plans, which are approved by the province, be exempt from appeals in their entirety. This is the case where the province has actually done the approval. Then, once that one was approved, we would think that would be the final approval, but currently they're subject to appeal to the OMB. We think that once the province has stepped in and approved it, that should stand the test.

We are the textbook case of working with the province on our official plan and having been hauled to the Ontario Municipal Board. We've had litigation. We've spent hundreds of thousands of dollars, and it took us five years to get approval. Finally, it required us to negotiate a settlement outside the context of the courts and the OMB because the province, quite frankly, didn't show up at the OMB hearing at the appropriate time. It was very costly to us and created a five-year delay. We think that those kinds of things should not be allowed any further.

In closing, I'd like to confirm our collective support for the Premier's and the minister's forthcoming review of the Ontario Municipal Board, which will build on the progressive elements of Bill 73. It's our hope that the review will get under way very soon and, I should add, that it will be a real review—"real" in capital letters: R-E-A-L, a real review.

It is a commonly held contention amongst the very different stakeholders—be they municipalities, developers, community groups or private citizens—that the OMB is very costly and very time-consuming, with uncertain outcomes. This cannot be good for our province as a whole, let alone individual community vitality.

Putting our collective minds into realizing a better system should signal both our desire for a more efficient and effective OMB and, more broadly, our ability to make worthy changes together. We're willing to work with the government and put our constructive ideas forward.

Thanks for the opportunity to speak. That's my presentation.

The Chair (Mr. Peter Tabuns): Thank you very much. We have about a minute per caucus, again. We start with the official opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. You're making a lot of recommendations on decreasing the number of exempted services so we would be allowed to charge for everything. Could you tell me, if you look at the whole package, which one or two you think are most important? I'm not sure that the government is prepared to take that section right out of the act which says, "There are some services exempt." In your mind, what would be acceptable as an exempted service if some of them have to stay in?

Mr. Ken Seiling: We're upper-tier. Many of the expansions of services would affect the lower tier more than the upper tier. They have a broad range of services. At our level, for example, just the fact that we can't do things for municipal government buildings—facilities for local government are no longer allowed in there. We would like to be able to charge for things like that.

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time.

We'll go to the third party: Mr. Hatfield.

Mr. Percy Hatfield: Thank you, Chair. Growth should pay for growth. In your region, growth-related infrastructure is only recovered by 36%. Why do you think that the discounts are still in there, as well as the ineligible services?

Mr. Ken Seiling: We don't understand why they're still in there. We think there's a double accounting because the process for doing development charges already forces you to account for existing residents and use of the service. This 10% was loaded on top of it. Nobody has ever understood why, outside the political circles who did it, but it's there and it hinders our ability to do things. Also, the mandatory industrial 50% reduction actually reduces our collection costs, too.

Mr. Percy Hatfield: Thank you.

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The Chair (Mr. Peter Tabuns): Okay. Thank you. To the government: Mr. Milczyn.

Mr. Peter Z. Milczyn: The process changes which you started outlining in your presentation around limiting appeals of official plans and so on—do you believe that will not only help you preserve the integrity of your plan but actually also save your municipality money and free up resources to do those planning functions which you want to do as opposed to—

Mr. Ken Seiling: I think I said we support the changes that are in the act. We think they need to go further, but what's in there is a good start, given our experience at the region of Waterloo. We congratulate the government on taking those steps, but we think there is more that needs to be done.

The Chair (Mr. Peter Tabuns): Mr. Seiling, thank you very much.

CITY OF BARRIE

The Chair (Mr. Peter Tabuns): We go to our next presentation: the city of Barrie. Mayor Lehman, Mr. Hodgins, if you would have a seat. Introduce yourselves for Hansard, and you have up to 15 minutes.

Mr. Eric Hodgins: Eric Hodgins. Good afternoon and thank you for the opportunity to appear before committee. With me today is Mayor Jeff Lehman. I will begin by providing an overview of a major growth planning exercise we are in the midst of in Barrie, and then turn the floor over to the mayor. In our package you have copies of our remarks, as well as a piece I wrote for Public Sector Digest last fall on the process we developed.

Over the next few minutes, I'd like to share with committee the highlights of an approach to growth planning that the city initiated six years ago. It was based on the provisions in the existing legislation and two fundamental elements: first, integrating land use, infrastructure and financial planning, and, second, working collaboratively with the development industry throughout the process of preparing the plans. In our opinion, these are critical success factors, and the results speak for themselves. More on that in a minute.

First, let me provide a bit of background information. In December 2009, the Legislature passed the Barrie-Innisfil Boundary Adjustment Act. The legislation came into force on January 1, 2010, and on that date 2,350 hectares, or approximately 5,800 acres, became part of south Barrie. The annexed lands, as they are referred to, provided a unique opportunity for the city to chart its future.

As the only designated urban growth centre in central Ontario, Barrie is forecasted to experience significant growth. The city's current population is 143,000, and the community is to grow to 210,000 by 2031, and to 253,000 by 2041. This represents almost a 90% increase in population between 2011 and 2041. The majority of that growth is being planned for the annexed lands.

The challenges Barrie faced in terms of managing, planning for and financing growth are not unique. What was unique was our approach. From the outset, we took deliberate steps to ensure certainty. That meant certainty for council, certainty for the developers who had chosen to invest in the city and certainty for our residents. Let me explain. Before the secondary plan process was initiated, council approved 10 growth planning principles. These included principles related to neighbourhood design, the staging of development and, most importantly, the principle that growth pays for growth. The principles were communicated to all parties with the express purpose of ensuring certainty regarding the city's priorities and expectations.

Additional certainty was also introduced with respect to understanding the total cost of growth. This included the required investment in new infrastructure as well as the cost of asset renewal. The city and the development community worked collaboratively, sharing data and collectively analyzing the costs of building, maintaining, operating and replacing infrastructure. The result was a

trio of important documents: a comprehensive asset management plan, a fiscal impact assessment and an infrastructure implementation plan.

These documents formed the basis of an agreement with the developers on how growth was to proceed. Did it work? As they say, the proof is in the pudding. In our case, the city's commitment to an open and transparent planning process and extensive collaboration with the development community paid huge dividends. There were no bump-up requests filed with the Minister of the Environment in connection with any of the six infrastructure master plans. None of the owners in the annexed lands filed appeals against the updated Development Charges Act. The number of Ontario municipal board appeals—22 in total—was very limited in relation to the large scale of the secondary plans. A long-term strategy for financing the costs associated with servicing growth, at \$1.8 billion, and asset replacement, at \$1.3 billion, was developed. An agreement with the developers was executed. And finally, the first EA funding and development charge credit agreement between the city and the developers has been signed, funds have been advanced and the class EA process initiated.

I will now turn the floor over to Mayor Lehman.

Mr. Jeff Lehman: Thank you, Mr. Chair, and members of the committee. I'm Jeff Lehman. I'm the mayor of the city of Barrie, and I'm also the chair of the Large Urban Mayors' Caucus of Ontario; that is comprised of the mayors of the 27 largest municipalities in the province. I am going to deliver our key messages in terms of our concerns toward the end of the presentation, but I want to pick up where Eric left off, as mayor of Barrie, on the Barrie story. The reason we told you that story about Barrie is that it points to some key issues for Bill 73 and why reform, in particular of the Development Charges Act, is so critical.

Barrie has received legal advice that Bill 73 will put agreements that had previously been negotiated, and been negotiated in an open and transparent and collaborative manner, at risk. Money is expected to be received from those agreements and, now budgeted for, may not be available. Barrie and its developers worked on those secondary plans to allow development to proceed in line with the goals of the growth plan. A condition of the approval of those plans was to ensure that Barrie had the money to build roads, pipes, bridges and ponds to accommodate development in a cost-efficient and timely way. I don't believe that approval of the plans would have occurred without the knowledge that we had a financial framework to go forward.

The province wants municipalities to develop comprehensive asset management plans, and that's exactly what we did in collaboration with the development community. At considerable expense and over an intensive period of time, the developers in the city combined efforts, shared our data, collectively analyzed the costs of building, maintaining, operating and replacing growth infrastructure, prior to approving the secondary plans to go forward.

We used, as the city, all of our financial tools at our disposal to partner in this effort. But even with a plan that includes tax increases, user fee increases, and increases our debt levels, there would be a substantial shortfall between what the city could support in terms of our fiscal capacity and what the capital costs of growth were.

The developers agreed to prepay development charges, front-end the costs, build some of the infrastructure, but still at the end of that joint exercise there was a shortfall of revenue needed for funding the infrastructure to support the reasonable needs of development. Keep in mind that this is after a discussion around the service levels, so that issue about gold-plating or the quality of the infrastructure—that was agreed in collaboration with the development community.

We entered into an agreement where the developers would give the city money on a per-unit basis that was not eligible under the act to cover the shortfall. As a consequence of the developers agreeing to assist the city in this way, we moved forward and we knew that the taxpayers' interests were balanced with the developers' interests. Our lawyers have advised us that section 59.1(3), as proposed to be amended by Bill 73, could be interpreted to prevent the city from collecting these contributions. This would have a substantial financial impact on the city and would be damaging to our regional economy.

We respectfully request that the bill clarify that payments made after the Bill 73 amendments come into effect that are made under an agreement entered into before the bill comes into effect, be protected, including any amendments that may need to be made to adjust payments, to account for additional monies that the city may get from DCs as a result of changes to the Development Charges Act. It must be clear that any current agreements will continue, and without any uncertainty. There must be a clear grandfathering clause.

In addition to the issue of protecting existing agreements, Barrie—and I'm here to say, indeed, the Large Urban Mayors' Caucus of Ontario—support most of the amendments to Bill 73, and we in particular support the amendments and recommendations that have been proposed by the Association of Municipalities of Ontario to both the Planning Act and the Development Charges Act, and also the submission that you have received from the Municipal Finance Officers' Association.

In our opinion, there needs to be an end to the ineligible services list, an end to the discounts on certain services and an end to a service-level calculation that looks 10 years back, instead of looking to the future.

With respect to discounted services, we do look forward to reviewing a regulation that will remove the 10% discount on rec facilities, libraries and child care to support fiscally sustainable community hubs. We were pleased, as were AMO and MFOA, in August, and remain so, with the government's acceptance of Karen Pitre's community hubs report and the potential for these amendments to the bill to enable its implementation.

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At the August joint meeting of the Large Urban Mayors' Caucus of Ontario—and my colleague Ken Seiling just presented the recommendations of the metropolitan regional chairs of Ontario. We met together in August at the AMO conference. We had an occasion to meet with many of you committee members at the AMO conference. But at our joint meeting in August, both LUMCO and MARCO endorsed the Municipal Finance Officers' Association of Ontario's position on the proposed changes to the DCA.

In summary, those recommendations are to eliminate subsection 2(4), ineligible services; remove subsection 5(1), paragraph 8, which requires the 10% capital cost reduction; update subsection 5(1), paragraph 4, which is the 10-year service level language; and eliminate section 59.1, which imposes restrictions on voluntary payment agreements.

In the work that I do in my capacity as caucus chair and member of the AMO board, I understand several of these issues have evolved. There are amendments proposed that address these issues to some extent.

In conclusion, Mr. Chair and members of the committee, I would simply urge you on behalf of my caucus and obviously on behalf of the city of Barrie—the reason that you've had a parade of municipal leaders here and so much thought has been put into the positions of the professional bodies that represent municipal staff across the province and all of us as political leaders—the reason we're all here, coming to committee, participating in the process, is this is probably the most important fiscal issue facing any municipality that is a growing municipality.

We need the tools to be able to implement what is in most cases a shared agenda for growth. I think municipalities have adapted to the needs of the growth plan in the greater Golden Horseshoe and other areas of the province. They're working diligently to encourage economic development. But as you have probably heard 20 or 30 times already, we simply can't work within a framework where growth does not pay for growth.

We urge you to consider the amendments that have been carefully thought out and communicated by our professional organizations and AMO on behalf of our sector.

Thank you very much, Mr. Chair. We do have copies of our remarks today for your use.

The Chair (Mr. Peter Tabuns): Thank you, Mayor. We have about a minute per caucus, starting with Mr. Hatfield, third party.

Mr. Percy Hatfield: Welcome, Mayor Lehman. It's good to see you again.

What will be the impact in your region if you don't get the grandfather clause you're requesting around the development charges?

Mr. Jeff Lehman: I hesitate to speculate about the legal impact. The practical impact for our municipality would be an inability to implement a capital plan that is entirely in conformity with the growth policies of the province, and an inability to move forward with careful,

well-thought-out planning that's been agreed with by the development community.

We have a plan that was collaborative and agreed upon. We're ready to go. But those agreements that have already been negotiated need to be protected.

Mr. Percy Hatfield: I take it there was no arm-twisting with the developers? It was clearly an agreement and everybody worked together on—

Mr. Jeff Lehman: Oh, it was a negotiation process; there's no question. But it was one that achieved an agreed result. I believe it lays out a road map, pardon the pun, for true collaboration that can accomplish what we need.

The Chair (Mr. Peter Tabuns): I'm sorry to say that your time is up.

We'll go to the government: Mr. Milczyn.

Mr. Peter Z. Milczyn: Hello, Mayor Lehman. Thanks for coming.

I want to applaud you on the approach that Barrie took to planning those communities. I was just wondering whether you've had a chance to look at the community development permit system that's part of this act. I think that kind of framework could have been used or certainly can be used in the future to achieve the kinds of results that your community has already achieved.

Mr. Jeff Lehman: Thank you very much for the question. I think that's possible. Our process was a little bit different. It was a little more comprehensive in the sense that the asset management work that we did was city-wide. Tying that into the work that was done on the planning side allowed us to really balance the different implementation aspects of growth.

I do see great potential in the permit system. I applaud that piece of the proposal. But, as always, the devil is really in the details for these pieces. I can tell you that the detail behind our agreements—there are reams and reams of reports—

The Chair (Mr. Peter Tabuns): I'm sorry to say you've run out of time with the government.

To the opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. I can assure you that on the issue of the previous agreements, there will be an amendment coming forward to correct that problem. I'm not sure it will pass, but I'm sure it will be here.

The question is, if you have these present agreements and you change the development charges, including all the non-eligible services, on the agreements that you have, is the city then going to stay with the old development charges for that area that has been included in the agreements?

Mr. Jeff Lehman: That's a fair question, and I don't have an answer for you, Mr. Hardeman, because we have not considered that eventuality at this point. Certainly, the work that was done—

Mr. Ernie Hardeman: The reason I ask it is because, obviously, in putting the grandfathering in, that's a lot of money coming out of the industry. If you don't agree to

the other one, then the grandfathering clause would not be appropriate.

Mr. Jeff Lehman: Sure, and we would certainly agree to maintain our side of the agreement. There would be no notion of renegotiating charges already established within the agreement.

The Chair (Mr. Peter Tabuns): Thank you. With that, your time is up. Thank you very much for the presentation.

TOWN OF OAKVILLE

The Chair (Mr. Peter Tabuns): Our next presentation: the town of Oakville, Mayor Rob Burton. Good afternoon, Mayor Burton. As you know, you have up to 15 minutes to speak. If you have time left over, we'll have an opportunity for questions.

Mr. Rob Burton: Thank you very much, Mr. Chair, and thank you for the opportunity to provide remarks on Bill 73.

Today's government has enjoyed widespread support for its award-winning growth plan. And why not? We've all benefited from the focus of this government on helping create strong and complete communities.

The government's own words about its growth plan are inspirational and worth a brief quote. Strong communities must be planned "for growth and development in a way that supports economic prosperity, protects the environment and helps communities achieve a high quality of life across the province," the government says about its growth plan.

We in Oakville were one of the first municipalities to bring our official plan into compliance with the growth plan. We have found the province to be a good partner, working with us to realize the potential of our urban growth centre.

We believe Bill 73 has been drafted in the spirit of, and in support of, the growth plan. We welcome the many improvements Bill 73 provides to help us achieve the objectives of the growth plan.

You could do more, after the dust settles on this bill.

The municipal tax levy in Oakville will still be carrying 6.5% to subsidize growth. I could do a lot if I wasn't subsidizing growth with 6.5% of my tax levy. I'm confident, given the progress that we've made to date, that we may be able, over the years ahead, to inch forward on our objective that you've heard already from LUMCO and MARCO and AMO and everyone else—MFOA—to make growth pay for itself. I am, of course, a member of LUMCO, and I was at the meeting that endorsed, and voted for the endorsement of, the MFOA position.

I wanted to say that I appreciate the opportunity to be able to share these comments with you. We in the municipal sector have found you good to work with and respectful of the input that you receive from your municipalities. We look forward to the results of your work on Bill 73 and the future work that lies ahead.

The Chair (Mr. Peter Tabuns): Thank you. The caucuses have about four minutes each. It's the government to start: Mr. Milczyn.

Mr. Peter Z. Milczyn: Thank you, Mr. Chair. Good afternoon, Mayor Burton.

One of the things that I like asking municipalities about this bill is, how much money is it worth, these changes? The changes to the development charges: How much more money will they add to paying for growth? Even the process changes: How much will they save your municipality in unnecessary costs for appeals at the OMB and so on? What would be the benefit to your bottom line?

Mr. Rob Burton: That's a delightful question. I asked our planning and finance staffs to calculate that. They came up with the answer that we would save about \$700,000 a year, and that's about half of 1% in terms of our levy, so it's significant, especially in a day when any municipality that raises its taxes more than the CPI gets a sharp look from the taxpayer. So it's a significant amount that we're being saved.

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On the other side of the balance, the change to parkland dedication is going to remove about \$6 million a year in revenue for the purpose of buying parkland, although that's offset by the fact that we can still require land. As I understand it, we're looking at this change because you want to incentivize us to take land, so—I pledge, I'll take land.

Mr. Peter Z. Milczyn: And the increase in development charges: Have you done any calculations on what that might be?

Mr. Rob Burton: Sorry, I couldn't hear.

Mr. Peter Z. Milczyn: The changes to the Development Charges Act: Have you done any modelling on how much more that might bring into your municipality?

Mr. Rob Burton: Right. That was the \$700,000 figure that I told you about. I may not have been clear on that.

The Chair (Mr. Peter Tabuns): Ms. Mangat.

Mrs. Amrit Mangat: Thank you, Chair. Thank you, Mr. Burton, for your presentation. My understanding is that Bill 73 proposes that municipalities prepare an official plan every 10 years instead of five years. Do you think that that move to a 10-year cycle would help add stability and certainty and predictability to the planning system?

Mr. Rob Burton: Yes, I do, and I'm grateful for the change—in fact, most of the changes in Bill 73. To save time, I had said that we support the improvements in Bill 73. If I didn't criticize it, it's an improvement, in my mind.

Mrs. Amrit Mangat: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. To the opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you, Mr. Mayor, for your presentation. It's much appreciated. This is the third day of hearing people present, and I've got a list here of what people were concerned about. I just wanted to check with you to see if—not necessarily because you spoke to them.

One was the freeze on changes after the official plan: In the first two years, you cannot appeal a zoning bylaw

or minor variances or changes in the official plan. What's your view on that? I think we had 14 delegations who all had some concern with, particularly, the minor variances, that you couldn't appeal. You're building and all of a sudden you need a minor variance and, because the bylaw was less than two years old, you can't apply for a minor variance to fix the problem. What's your concern about that?

Mr. Rob Burton: The region of Halton and the municipalities of the region of Halton have all passed resolutions asking for relief from appeals of the compliance with the growth plan. It's an aggravation to do all that work. The province sits at your very shoulder and helps you move your pencil on the paper, it feels like, some days. To then have that subject to appeal is an irksome expense that the taxpayer winds up suffering. We're in sympathy with these changes.

Mr. Ernie Hardeman: So you see the concern of saying that development would be controlled. After you pass the bylaw, you can't apply for a change to get a further minor variance while you're under construction.

Mr. Rob Burton: In Halton, we're very concerned about protecting the taxpayer, and these changes will help protect the taxpayer.

Mr. Ernie Hardeman: The other thing: You mentioned that 6% or 6.5% of your growth is still paid for on the general tax base.

Mr. Rob Burton: No, sir. It's 6.5% of our tax levy subsidizes growth. If I wasn't required to subsidize growth, I could cut taxes by 6.5%.

Mr. Ernie Hardeman: What would you suggest that we would change in the—or do you see it having enough change within Bill 73? Is it enough change to bring that to zero, so growth would pay for growth?

Mr. Rob Burton: Repeal the 1997 amendments to the Development Charges Act and we'll be fine. The cost of those amendments in 1997 is 6.5% of my tax levy.

Mr. Ernie Hardeman: Okay; thank you.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Hardeman. Third party. Mr. Hatfield.

Mr. Percy Hatfield: Thank you, Chair. Good afternoon, Mayor Burton. Thank you for being here again. I used to be a reporter so I always look for a clip, and I heard Mayor Lehman say, "Get rid of the 10% discounts; get rid of the ineligible services." But I didn't hear you say that. I heard you say that you like what they're doing.

Mr. Rob Burton: I'm sorry. LUMCO, which I'm part of, and MARCO met at AMO. We unanimously voted to support the MFOA analysis, which covers every one of those things—in fact, more than what Mayor Lehman said; everything that Chair Seiling said. He was good enough to be very detailed, if somewhat fast-paced, in order to get that all in. That left us, who followed him, with a little more room to relax.

Mr. Percy Hatfield: I get it now. I was just wondering if there was a rift in LUMCO, MARCO and yourself. This is not.

Mr. Rob Burton: No, there's no daylight among us in LUMCO, MARCO or MFOA, for that matter.

Mr. Percy Hatfield: So growth should pay for growth?

Mr. Rob Burton: Growth should pay for growth. We've got to think of the property taxpayer. Paying for growth is the burning platform of the municipal sector. There's another clip for you.

Mr. Percy Hatfield: All right; I'll take it.

The Chair (Mr. Peter Tabuns): Thank you very much, Mayor Burton.

Mr. Rob Burton: Thank you, Chair Tabuns.

SOCIAL PLANNING TORONTO

The Chair (Mr. Peter Tabuns): Our next presentation: Social Planning Toronto, Ms. Wilson. As you've seen, you have up to 15 minutes. Time you don't use will be used for questions. If you'd introduce yourself for Hansard.

Ms. Beth Wilson: Thank you for the opportunity to speak today. My name is Beth Wilson. I'm the senior researcher at Social Planning Toronto. Social Planning Toronto is a non-profit community organization that conducts community-based research and policy analysis, and supports community engagement and capacity-building in local neighbourhoods. Social Planning Toronto works to improve the quality of life of Toronto residents. Our work focuses on income security and labour markets, public education and human development, affordable housing, and the non-profit sector.

I'm here today to ask the committee to make an amendment to Bill 73 that would give municipalities the power to implement inclusionary zoning policies. At present, municipalities do not have the regulatory power to adopt inclusionary zoning policies. In order for municipalities to have this power, the provincial government needs to pass enabling legislation. This would give municipalities the power to implement inclusionary zoning; however, it would not require any municipalities to create those policies.

The city of Toronto has repeatedly asked the provincial government for this power. Most recently, Toronto city council made a formal request to the province to include enabling legislation in Bill 73. I understand you'll hear from Councillor Layton at 4 p.m. on this issue as well. The city of Toronto is quite eager—as we are quite eager—to develop an inclusionary zoning policy for the city in order to create more affordable housing, which is desperately needed in Toronto.

In recent years, several private members' bills have been put forward to provide this enabling legislation, but the Ontario government has failed to pass any of these bills. We ask the committee to do what the city of Toronto has asked and amend Bill 73 to include these powers for municipalities.

I would like to talk to you a little about inclusionary zoning: what it is and why it's important. Inclusionary zoning policies allow municipal governments to use development regulations and the approval process to require developers to create a portion of affordable housing within

their new market developments. Effective inclusionary zoning policies are mandatory policies. They have clear and transparent rules that apply to all developers, they expand the stock of affordable housing, and they have a mechanism to ensure that the housing remains affordable over time.

Introduced in conjunction with housing allowance programs or other subsidies, inclusionary zoning policies can help produce affordable housing for people with low income. Inclusionary zoning is one important tool in the policy tool kit to ensure housing affordability for residents.

Inclusionary zoning also benefits cities and regions by creating mixed-income communities by design. Neighbours living in market housing, below-market and affordable housing live side by side in new residential developments.

Through his Three Cities research, Dr. David Hulchanski from the University of Toronto has documented the disturbing trend of growing income polarization in Toronto. Thirty-five-year trends show the stability of high-income neighbourhoods, the shrinking number of middle-income neighbourhoods, and the massive growth of low-income neighbourhoods, spreading out to the underserved edges of the city.

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This growing spatial divide is also a racial divide, with high concentrations of racialized individuals living in the poor and underserved areas of the city. Inclusionary zoning provides one means to begin to address these disturbing trends while supporting the expansion of affordable housing in new residential developments.

The urgent need for affordable housing in Toronto and across Ontario is clear. As of September 2015, there were over 95,000 households on the waiting list for social housing in Toronto alone. The number of households in need of affordable housing has climbed month after month for several years. In response, there has been only a trickle of new affordable housing. To give you an example, in 2012 in Toronto we had 1,176 new affordable rental units and 408 new affordable home ownership units in that year. We are in no way meeting what the need is out there.

While inclusionary zoning policies are most often used to assist middle-income residents priced out of private home ownership markets, these policies, working in conjunction with housing allowance programs, could also help low-income residents access affordable housing.

Toronto's sky-high home ownership market is out of reach not only for low-income residents but also for many middle-income families. Over the past 10 years, the average cost of ownership housing has increased by 87%, with the average cost of a single detached home at over \$1 million and the average cost of a resale home at about \$635,000. At these prices, only households with incomes in the top 20% can afford to own.

People who work in Toronto often commute long distances to get to work simply because they cannot afford the high cost of housing. Lack of access to affordable housing in Toronto affects the quality of life of these

workers and of their families, contributes to traffic congestion and undermines productivity. Inclusionary zoning policies could be particularly useful in addressing the housing needs of middle-income residents who are priced out of Toronto's expensive home ownership market.

Unlike Canada, the United States has a 40-year history of using inclusionary zoning policies to generate below-market and affordable housing. According to inclusionary zoning expert Richard Drdla, an estimated 400 to 500 US communities have adopted inclusionary zoning. The most recently available data—this is from about 10 years ago—shows that inclusionary zoning has produced between 120,000 and 150,000 units of affordable housing in the United States, probably more since it's from 10 years ago.

Toronto, with its hot housing market, is ideally suited to leverage new residential developments to create affordable housing through inclusionary zoning. Based on the strong residential development in Toronto over the past five years, city of Toronto chief planner Jennifer Keesmaat estimated that 12,000 units of affordable housing could have been created if an inclusionary zoning policy had been in place.

During an average year—unlike the last five—Richard Drdla estimated that the city of Toronto could produce between at least between 1,000 and 1,500 units of affordable housing through inclusionary zoning policies. With continued growth anticipated into the foreseeable future, we need these tools to introduce inclusionary zoning policies. We simply can't afford to miss any more opportunities to create affordable housing.

It's striking that Bill 73, with its focus on supporting smart growth in Ontario communities, does not give municipalities the right to implement inclusionary zoning. Inclusionary zoning policies should be recognized as a key mechanism for supporting smart growth in Ontario. We ask the committee to amend the current bill to include this provision for municipalities as it is urgently needed and long overdue.

Thank you for the opportunity to speak today.

The Chair (Mr. Peter Tabuns): Thank you very much. That leaves us with about two minutes per caucus. Mr. Hardeman?

Mr. Ernie Hardeman: Thank you very much for your presentation.

Just so I understand it: To put inclusionary zoning in is a choice that the municipality makes as to whether they want to do it? Is it normally considered mandated across the municipality or just for certain developments?

Ms. Beth Wilson: What the enabling legislation would allow is for municipalities to choose so that they don't have to implement inclusionary zoning, but they could if they wanted to. There's quite a list of municipalities that would like to have this power and have asked for it, in addition to the city of Toronto. There is the city of London, the city of Thunder Bay, the town of Milton, the town of Blue Mountains, the town of Collingwood and many others that have weighed in and said that they would really like to have these powers.

Mr. Ernie Hardeman: In the process, when they agreed to do it, what is it that would make some of the housing affordable? Is that going to then make the other housing less affordable?

Ms. Beth Wilson: The United States has a 40-year history of inclusionary zoning policies, so there's some really good research on the impact on housing costs. They find that either there's no impact on housing costs or it is very minor. To give you an example of a minor impact: One city that implemented it had a 3% increase in housing costs, but that was over a 25-year period. It's 0.12% annually, a minor increase. Mostly, the research will also say that if you do it right, you can really mitigate any adverse effects.

Mr. Ernie Hardeman: But somebody has to pay the difference between the going rate and the affordable rate. Who is that? Is the municipality who passes the by-law going to make up the difference?

The Chair (Mr. Peter Tabuns): Mr. Hardeman, I'm sorry to say that your time is up. Mr. Hatfield.

Mr. Percy Hatfield: I suppose someone would have to pay regardless if they had to create housing somewhere.

Nice to see you again, Beth. Perhaps you could give us a couple of examples of what might be included in inclusionary zoning—obviously, the number of units or the number of floors in a building that was proposed or something.

Ms. Beth Wilson: Sure. Usually—it may also speak to your question as well—there are cost offsets for the developers. You might have an inclusionary zoning policy that says, "If you are building over a certain number of units, then you would be required to provide a certain percentage that would be affordable." In the States, it's between 10% and 25%. In exchange, there are certain offsets for developers, including density bonusing or some kind of fast-tracking of approval processes that allows them to bring that housing on more quickly, or some relaxation of regulatory requirements. It's a trade-off between the two.

Mr. Percy Hatfield: I imagine that some municipalities might choose not to charge as much in development fees or in permits, or anything like that.

Ms. Beth Wilson: That's right. In the case of Toronto, density bonusing is a big one, so when developers are looking to build higher, that can be the exchange.

Mr. Percy Hatfield: I'm interested in Jennifer Keesmaat's prediction that in the past five years, had we had it in Toronto, we would have had 12,000 more affordable housing units built.

Ms. Beth Wilson: That's right. Her figures were based on what I think is a pretty conservative program for inclusionary zoning. Her figures were based on developments over 300 units. In many cities, the number of units would be more—

The Chair (Mr. Peter Tabuns): I'm sorry to say, Ms. Wilson, that your time is up with the third party. We go to the government. Mr. Potts.

Mr. Arthur Potts: Thank you, Ms. Wilson, for coming in. I'll continue on this theme because I'm really quite interested, as well. You're aware, of course, that the ministry is currently out on a consultation on affordable housing. Would you be participating in that in order to bring these important considerations to that process?

Ms. Beth Wilson: Yes; and, actually, we brought these issues forward when the province first developed its affordable housing strategy five years ago. We said at that time, "It's really important that municipalities have the powers around inclusionary zoning." We provided that input five years ago, and nothing has happened yet. We certainly appreciate any support from the minister on this issue, but we're hoping that you will all look at making an amendment to Bill 73 to really speed up the process.

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Mr. Arthur Potts: To go back to the question that was asked about affordability: The differences come from somewhere. It's my understanding, under the Planning Act, that a municipality certainly has the right to negotiate on a project-by-project basis—density bonus, section 37 and other things that they can do in order to include it. I believe the city of Toronto has done that, for instance, with the great work that was done in Cabbagetown and all those redevelopments.

What is it that makes you think there's not the opportunity currently for municipalities to include inclusionary housing opportunities in developments?

Ms. Beth Wilson: Overall, I think section 37 has not been successful in creating a lot of affordable housing. There's a little bit, and there are some great examples, but it hasn't been a mechanism that has created a lot of affordable housing in Toronto.

Right now, my understanding—when Councillor Layton is here, I'm sure he'll speak to it too—is that if there was an attempt to implement inclusionary zoning at the city of Toronto, developers would take it to the OMB and it would probably not be successful.

The Chair (Mr. Peter Tabuns): Ms. Wilson, I'm sorry to say, you're out of time. Thank you very much.

WATERLOO REGION HOME BUILDERS' ASSOCIATION

The Chair (Mr. Peter Tabuns): Our next presentation is from the Waterloo Region Home Builders' Association: Mr. Douglas Stewart. Mr. Stewart, good afternoon.

Mr. Douglas Stewart: Good afternoon.

The Chair (Mr. Peter Tabuns): As you've heard, I'm sure, you have up to 15 minutes. Time left over will be used with questions from members. If you'd introduce yourself for Hansard, we'll go from there.

Mr. Douglas Stewart: I'm Douglas Stewart. To the Chair and to the members, good afternoon. I'm a volunteer. I am here on behalf of the Waterloo Region Home Builders' Association, where, in 2006, I was the president. I've also been the president of the Stratford and Area Builders' Association, and I am currently on the

board of directors with the Brantford Home Builders' Association. I am also on the Ontario Home Builders' Association as chair of their land development group.

In addition to what I do in my volunteer work, I'm a professional planner with Stantec consulting.

What I hope to bring here today is a perspective that is not the greater Toronto area perspective on how the proposed legislation that is before us today is going to have a significant impact on smaller and medium-sized communities. I may advise that my professional experience is mostly in southwest Ontario.

First, I am pleased to be speaking here, and I hope to give you a bit of an overview that you will take into account.

The Waterloo Region Home Builders' Association has been in existence since 1946. It represents over 220 member companies and is involved in all aspects as it relates to the construction of residential housing and renovation. We are proudly members of the Ontario Home Builders' Association and the Canadian Home Builders' Association.

What I would like to speak to you about is our perspective as it relates to the Smart Growth for Our Communities Act. After my presentation, I'd be pleased to respond to whatever points you wish to bring forth.

It's clear that this piece of legislation has been in a very long consultation process that began in 2013. We, as members, have been involved in that consultation and part of the conversation around land use and the appeals and the development charge consultation. I am informed of what is proposed and I'd like to thank the ministry staff for their commitment to consultation. In fact, they came out and met with many of our members.

When you look at this proposed bill, both the local association and the provincial association brought forth a number of key points: transparency, accountability, equity, and that the legislation cannot and should not simply pile on new taxes.

From the Waterloo Region Home Builders' Association, we're supportive of the policy objectives to support a diversity of housing and higher intensification. As you can imagine, outside of Toronto, infill and intensification has its challenges, but we are doing okay. However, we do see a significant disconnect in land use policy between the province and many of the municipalities.

Despite the Planning Act and the growth plan requiring conformity and up-to-date zoning, many—many—of the local municipalities have their current bylaws out of date by decades. That does not implement and reflect the current provincial policies and objective to support the improved utilization of infrastructure, brownfields and intensification.

I would like to offer to you a good-news story. In Waterloo region, through the co-operation and coordination of our association, both the region and our area municipalities are a good example of how it can be accomplished. As you know, in the Waterloo region, we have major construction of light rail transit, which is running from Waterloo to Kitchener—it's under construc-

tion—and an adapted bus route from Kitchener to Cambridge. What we've done in contrast to what everyone else has done is get ahead of the game: put the official plan policies in front, get them in place, and amend the bylaws to implement them long before any applications come forward. This has occurred because of consultation with the industry, local businesses and the community.

It's clear that when you look at our light rail transit system, the public policies and the public regulations are all in place. We're now working towards the future transit stations. It's clear that you've got to get it done and it needs to be done in advance. That supports future investments.

I would now like to speak to the potential impact of the increase of development charges as proposed in the provincial bill. Maybe it will be fine in Toronto. I can tell you that in smaller-town Ontario it's going to have significant challenges. It will become an impairment to support future growth. You put the policy framework in and then you put a restriction in about how the cost is. Putting more taxes on new housing could result in a slowdown, less investment and fewer jobs. Is this what we're all trying to achieve? Is this a sustainable objective?

I can tell you that in Waterloo region, even with all of the policy framework in place and the provincial plan, certain places, such as Cambridge and Kitchener in their downtowns and their uptowns, exempt or provide a waiver of the development charges as an incentive. When you look at the proposed bill, it's only going to increase those development charges.

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But it's also much more. It's a whole suite of things you need to do. Even with the pre-designation and the bylaw in place, the construction of our ION and the DC exemptions in Cambridge and Kitchener, we still have a slower build-out.

This debate about smart growth with the proposed bill won't do much about encouraging the pre-land use designation, the pre-bylaw. What it does is only increase the transit portion of the development charges.

What needs to be done—we're investing in transit, thanks to the support of the government. We have pre-land use designation. We have zoned for high density. We have reduced or exempted the development charges and we offer a broad range of incentives. That's what you have to do outside of Toronto. You cannot guarantee that growth will occur. You only have to provide an atmosphere so that it can be encouraged.

Before I wrap up, I'll just touch briefly on the changes to the minor variances. I was appointed to sit on a group with a number of representatives. We are now scheduling meeting number nine, so there's a lot of consultation there. What I can tell you is that there's a concern when you take away some of the provisions where you cannot apply for a minor variance within the time period of a zoning bylaw and such. What is of concern with that is that it prescribes that we're going to get it correct the first time out. That's not always the case. It does suggest that you understand what you're going to build without the

understanding that there often are alterations and changes. Yes, you could approach the local council and ask for a consideration. Ask yourself, is that what council should be working on, or are there more important matters? Also, what's important is the schedule. It isn't always convenient; it's not always flexible. At the end of the day, you're trying to put restrictions in where I don't think they even add any value.

What I would suggest to you is that changes to legislation that have an effect of putting on one more tax are going to have an economic impact. Putting in restrictions of how and when you can change a bylaw to implement those policies you're trying to create doesn't serve any purpose. It's clear that outside of Toronto, it's not the same, and I think the legislation needs to respect that.

On behalf of our association, we appreciate this.

The Chair (Mr. Peter Tabuns): Thank you very much, Mr. Stewart. We have about 45 seconds per party. We're starting with the third party. Mr. Hatfield.

Mr. Percy Hatfield: It's good to see you again, Douglas. The town of Leamington did away with development fees for a three-year experiment. They're booming. The town of Harrow cut them by 50%. They're doing okay. Is it fair to say that regardless of what the development fee is in any community, people will pay whatever the going price is?

Mr. Douglas Stewart: When you factor in the cost of development charges with all the other associated costs, you're making it far less affordable for someone.

The Chair (Mr. Peter Tabuns): Thank you very much, Mr. Hatfield. Mr. Milczyn.

Mr. Peter Z. Milczyn: Thank you, Mr. Stewart, for your presentation. You made the example of reducing development charges along a transit line. This legislation still leaves a lot of those decisions to municipalities. They can choose to increase development charges, lower them, or waive them. There is nothing in this legislation that tells the municipality that they have to increase them. Would you agree with that assertion?

Mr. Douglas Stewart: Yes, the legislation permits each place to address what they will charge for. I think what I've seen in all of the presentations that I've been at is that there's not one place that's saying they're not going to take advantage of what the legislation will propose. It's going to have a significant impact. It's going to apply.

In our quick review from our home builder association, the fact is that the proposed legislation could add between \$6,000 and \$8,000 on top of what is in place.

The Chair (Mr. Peter Tabuns): Mr. Stewart, I'm afraid you're out of time.

We go to the official opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. It's much appreciated. I want to point just quickly: On the minor variance issue, I think we all realize that minor variances need to be available during the construction because that's when you realize that you're one foot short of the property line. Of the presentations up till today, we had 17 people who presented, all of whom agreed that that needed to be opened up.

One of the concerns that came from the city of Toronto—and again one of the differences—was that there were people applying for minor variances to increase the building by four storeys. In Oxford, that's not considered a minor variance. Do you think that that's maybe the problem, that we make sure that it's clearly defined what is "minor"?

The Chair (Mr. Peter Tabuns): Mr. Hardeman and Mr. Stewart, I'm sorry to say that you have used up all of your time.

Mr. Ernie Hardeman: Thank you.

Mr. Arthur Potts: We have a few extra minutes. Would it be possible to give him a couple of minutes extra?

The Chair (Mr. Peter Tabuns): If it's the will of the committee.

Mr. Arthur Potts: I would be interested to hear the answer to that question.

The Chair (Mr. Peter Tabuns): Okay.

Mr. Douglas Stewart: In answer to your question, there are two aspects.

We tend to focus on those people who are proposing an infill and intensification. A significant portion of the minor variance applications in smaller towns is the mom-and-pop. Are we restricting the mom-and-pop from trying to do something they're trying to do? That's one.

Two, it's structured today under the Planning Act that there are requirements for an evaluation: Is it in conformance with the purpose and intent of the official plan and with the purpose and intent of the zoning bylaw? Is it minor? The four tests offer that opportunity. If it can be substantiated, taking the four tests into it, that you can increase it significantly, as you suggested, it should be approved.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much.

CITY OF HAMILTON

The Chair (Mr. Peter Tabuns): Our next presentation is the city of Hamilton: Mr. Jason Thorne. Mr. Thorne, as you've heard, you have up to 15 minutes. If you'd introduce yourself for Hansard, we'll go from there.

Mr. Jason Thorne: Thank you very much, and good afternoon, Chair and members of the standing committee. My name is Jason Thorne and I'm the general manager of planning and economic development for the city of Hamilton. My remarks this afternoon are going to emphasize a few of the highlights of the comprehensive comments that my city council approved back in the summer, specifically related to the Planning Act aspects of the proposed Bill 73 reforms.

I want to begin by saying, as you I hope are all aware, that Hamilton is growing. Hamilton is experiencing a bit of a boom right now, and the foundation of our comments on Bill 73 is about keeping that growth and keeping that boom happening. We've seen record building activity in recent years. We're on track once again this year to exceed \$1 billion in building permit values in the city; that would make five out of the last six years that we hit that \$1-billion mark.

Our industrial vacancy rates are sitting at less than 2%; they were more than triple that just five years ago. Downtown office vacancy rates are at less than 12%; they were nearly 20% just four years ago. House prices are increasing in Hamilton as well: From August of this year to August of last year, house prices in Hamilton increased by 16.6%, the highest rate in the entire country. By comparison, Vancouver was up 12.2% and Toronto up 10.3%. We're now looking at how we're going to grow our city to accommodate about another 250,000 more people, to 780,000 over the next 25 years.

This is a good thing. Hamilton is a city that wants to grow. We're currently undertaking a number of planning initiatives to enable that growth: updated the city-wide zoning; a new downtown secondary plan; a development strategy for our waterfront lands; a city-wide growth strategy; and, of course, thanks to a significant investment by the province in LRT, a number of studies around the design and zoning of a new LRT corridor downtown.

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All of these initiatives are being undertaken with an eye to maintaining the growth and momentum that Hamilton is now enjoying, and the reforms that are proposed in Bill 73 will help us get there. There are a number of very positive improvements to the planning system that are being put forward and, for that, the city of Hamilton would like to thank the government and the staff who have put those amendments together.

There are also some areas where the city thinks that some minor changes to Bill 73 could provide municipalities like Hamilton with some additional tools that will help us achieve our growth goals. My presentation this afternoon is going to focus on a couple of those areas.

First, there are a number of very positive improvements in Bill 73 that would give municipalities greater control over development in our communities. Hamilton strongly supports the provisions in Bill 73 that would prohibit appeals of OP matters related to the province's population and employment forecasts, vulnerable areas identified under the Clean Water Act, greenbelt areas, protected countryside areas, settlement area boundaries approved in OPs. Bill 73 would also prohibit global appeals in which applicants appeal the entirety of an official plan. These are all very positive steps. These are all steps that are going to significantly help municipalities maintain control over development within our communities.

There is one proposed amendment that I know is intended to strengthen municipal development control, but the way that it's currently drafted does cause some concern. The bill proposes to freeze appeals for two years, following the adoption of a new OP or comprehensive zoning bylaw. While I understand and appreciate the intent of this provision, in practice it may potentially cause some unintended consequences. For example, in Hamilton, our official plan and our zoning bylaw are structured in such a way that it anticipates that minor changes may be needed to be made on things like density provisions for certain housing types, zoning around parking requirements, parking standards and so on. To

provide no avenue through which these sorts of amendments can be made, even when they're supported by planning staff and council, could put a bit of a chill on development, and obviously none of us wants to do that.

Hamilton, in our comprehensive comments, has provided some suggested revisions that would allow applicants to seek amendments and allow councils to consider them, but where the council does not support the amendment, then it would not be subject to appeal. This modification, the city believes, would meet the intent of the proposed changes, while avoiding the potential for holding back developments over minor issues.

Another positive change proposed in Bill 73 is to create what planners have been starting to call the pause button in statutory approval timelines. Meeting the 120/180-day statutory timelines is becoming increasingly difficult, given the growing number of issues, studies, analyses and policies that have to be taken into account. It's leading to situations where the potential for non-decision appeals is always looming over the heads of municipal councils.

The pause button is a novel way to address this issue. It would allow municipalities and applicants to mutually agree to pause approval timelines for up to 90 days. This is a good idea, but to be truly effective, it needs to be strengthened. First off, the bill, as currently written, would allow either party to terminate the agreement at any time and restart the clock. This undermines the value of the pause button. Second, it only applies to OPAs. This is problematic because, often, our OPAs run concurrently with zoning bylaw amendments and with subdivision approvals, so it means that the clock can be paused on one aspect of the application while it's still running down on others.

To improve the value of the pause button provision, Hamilton is proposing that the ability to terminate the pause agreement prior to the agreed-upon date should be removed and it should be extended to apply to zoning bylaw amendments and plans of subdivision.

The issue of non-decision appeals raises another matter, as well, which is not currently addressed in Bill 73. Under the current Planning Act, when an appeal is made of a council decision, the OMB must have regard for that decision. That's a good thing. But non-decision appeals are not treated the same way. We've seen cases in Hamilton in which an application is working its way through the approvals process, it goes beyond the 120/180-day period, and the applicant is okay with that because we're working with them to make their application acceptable and to make their application go forward. However, once an applicant sees that the staff is recommending against their application, in some cases, rather than allow it to proceed to council and risk a refusal decision, the applicant can immediately then flip it to the board. Of even greater concern, if the planning committee votes to deny an application, the applicant can flip it to the board prior to that committee decision being ratified by council, sometimes, just a few days later.

In both of these cases, the matter is considered to be a non-decision appeal. In these scenarios, even though

planning staff have already stated their positions and reviews—in some cases, the planning committee could have already endorsed that refusal—those positions would carry no weight at the board because the council did not ratify it and, therefore, it's considered a non-decision. The public can be particularly upset by this.

In Hamilton, our process is that we make a report on a planning application with our recommendation, we release that publicly, and then a few days later, it goes to planning committee, and that's where the public hearing is held. If at that point, the applicant decides to appeal for a non-decision because they don't like the refusal and they're past the 120/180 days, that matter doesn't go to planning committee and the public doesn't have the opportunity to provide their comments at a public meeting.

To remedy this, the city of Hamilton is proposing that even if a matter is appealed to the board for non-decision, local councils still be empowered to review the application, to hold a public meeting and adopt a position and, most importantly, that that position also have weight at the board; in other words, that the board also have regard for municipal council decisions on non-decision appeals.

Finally, on the issue of appeal timelines: that Hamilton continues to take the position that the time frames in the Planning Act need to be reviewed. Our goal is always to work very closely with applicants to find ways to make applications work. As I said in my remarks, we want development to happen in our city, but the ability to have a back-and-forth dialogue with applicants, to allow applicants to make modifications along the way to respond to our comments—all of which I would consider to be essential to good planning—is hindered because that clock is always ticking. Longer timelines, or at least the ability to restart the clock when there are significant changes to an application, will make it much easier to work with applicants to create better forms of development.

Those are the main issues I wanted to raise at the committee this afternoon. There are other features of the bill that Hamilton has expressed support for. These include changing the OP review timelines to every 10 years, making similar changes to the PPS review timelines, providing alternative measures for obtaining public input on planning matters, and providing for alternative dispute resolution mechanisms. All of these represent very positive steps in the right direction for the planning system in Ontario.

I do want to conclude with two last points about steps that I hope the province will continue to take that aren't yet reflected in Bill 73. First is the issue of inclusionary zoning. Hamilton currently has more than 5,000 households on the waiting list for affordable housing. The downside of that renaissance that I was talking about is that affordability is becoming an increasing concern in Hamilton and inclusionary zoning is a critical tool that we need in our tool box to help address this gap. It's a central recommendation of our housing and homelessness action plan, and it was explicitly noted as a recommendation that my council wanted to make as part of our comments on Bill 73.

Second is the issue of OMB reform. The changes proposed in Bill 73 are a start to reforming the appeals process. As I said, Bill 73 has a number of good-news stories in that regard, but the city continues to hope that the province will follow through on its commitment to undertaking a comprehensive review of the OMB. We look forward to having input into that review.

That concludes my remarks for this afternoon. I'd like to thank the committee members for your time and I'd like to congratulate you and the government and the staff at the Ministry of Municipal Affairs and Housing for a bill that I believe will have a very positive impact on the planning system in Ontario.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Thorne. The first question goes to the government. Mr. Milczyn. You have about two minutes per caucus.

Mr. Peter Z. Milczyn: Thanks, Mr. Thorne, for your comments. Certainly Hamilton is a very exciting story these days.

You mentioned quite a number of aspects of this bill. Would you concur that it is going to give your municipality more time to thoughtfully review applications, more time to ensure that your vision for your community can get enacted?

Mr. Jason Thorne: It does create the potential to have additional time. As I said, the idea of the pause button, as we're starting to call it in planning circles, does provide benefit. It gives us the opportunity to be sitting down with an applicant and say, "You know what? We both agree we need a bit more time to work this through." Rather than rush to council with the refusal recommendation because we're afraid of that clock running out, let's take additional time, up to another 90 days, to have that back-and-forth.

That's a very good step. My concern is that if either party can just terminate that at any time, it's really not a very strong tool, because if those discussions aren't going well, then either party can pull out, the clock starts ticking again immediately and we don't have that opportunity for further discussion.

Mr. Peter Z. Milczyn: Mr. Thorne, I hope you appreciate that the changes in this bill regarding appeals of official plans don't prohibit a municipality from making a change to an official plan. They simply are intended to stop an outside party from undermining an official plan where the ink is still not dry.

Mr. Jason Thorne: Yes, I do appreciate that and I understand a municipality could be the one to initiate. The types of amendments that we sometimes see, especially after a new OP or zoning is put in place, where it's impossible to envisage and contemplate every context that could happen in a community—there are some that are regularly supported by staff, supported by council. To have to have those initiated by the council—it would be simpler to be able to have the applicant initiate them and have council consider them. Where I really like the intent of what Bill 73 is doing is that if it's not supported at the municipality—and this is what I know upsets the public, that they go through an exercise of participating in an OP

and new zoning, and six months later, somebody is making an application, councillors are opposing it and it goes to the OMB and it gets approved.

Being able to still allow it to be considered but not go forward to the OMB if the council's not supportive I think would really hit the intent of what's being suggested, while still allowing some minor things that may come along the way to proceed through the process so we aren't holding up development.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Thorne. Next question to the official opposition. Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. I just want to go to that part about the approval process where council doesn't make a decision and it's appealed to the Ontario Municipal Board. You suggested that there should be something put in that in fact council could consider it following the appeal and that would then go to the board too?

1540

Mr. Jason Thorne: That's right. What would be useful is, when those cases where an appeal is made for a non-decision are going to the board, the council process and the public process can continue on, if the council so wishes, and council can still adopt a position on that matter that's now going to be in front of the board with the benefit of that full public process. We can do that voluntarily now, but that decision would not have weight at the board. So what we're looking for is to have that decision, have that position, still have weight at the board, the same as if it had been made within the 120/180-day appeal period.

Mr. Ernie Hardeman: Going back to the government's question on the length of time, you said that it needs to be mutually agreed upon. That's the same as saying it doesn't exist. "Mutually agreed upon" means you can do just about anything you want, and it's usually when you'd really need that time for one party or the other. Could you just talk about that a little bit more?

Mr. Jason Thorne: Yes. I think the idea of mutually agreeing upon the pause button initially is a good one. Once you've agreed that you're going to pause for whatever the time period is—60 days, 90 days—that time period should then be set in stone and the process should be allowed to have that, unless both parties mutually agree it's not needed. But to have one party be able to pull out midway through that, whatever it is—90-day extension—does undermine the value of it because it means you can never count on it. It means that my planning staff who are working with an applicant on an application can't count on the fact that they've got an extra 90 days. They think they have an extra 90 days—unless the applicant decides to pull out.

The Chair (Mr. Peter Tabuns): Mr. Hatfield.

Mr. Percy Hatfield: Good afternoon. Welcome. Thank you for being here.

Mr. Milczyn from Etobicoke-Lakeshore has a beautiful private member's bill on inclusionary zoning. Some of us are hoping to see it enacted, word for word, in this

legislation. You spoke in favour of inclusionary zoning. Had you the ability to consider inclusionary zoning in Hamilton, what impact it would have on affordable housing?

Mr. Jason Thorne: The key impact is it gives us another tool to work with. When I've been discussing this in the community, and it is a very common thing that's brought up in a lot of our public meetings—inclusionary zoning is something that the citizens of Hamilton are really very anxious to see—that is not a silver bullet. It is not going to solve the affordable housing crisis, but it will be a very significant step forward because it gives us one other tool that we can use to require affordable housing out of new development. I would suggest that we'd be looking for some flexibility in how it's applied. The Hamilton real estate market is very different than the Toronto real estate market. The ability to leverage affordable housing out of private development is probably more limited in the Hamilton market than it is in the Toronto market, but there are situations in terms of size of development and certain geographies within Hamilton where it would give us a means to at least start to chip away at that backlog we have right now of affordable housing supply.

Mr. Percy Hatfield: You mentioned you have 5,000 people on the waiting list for affordable housing in Hamilton. How many are already housed?

Mr. Jason Thorne: I apologize; I couldn't give you that number.

Mr. Percy Hatfield: If you had one improvement to make to the amendments that you talked about today, what would be your number one priority?

Mr. Jason Thorne: The pause button is a very significant step. It could be a very positive improvement in the planning system if it is modified. I focused a little bit on some of the modifications we want to see. There are a number of things that should just be taken as is in the bill that are very positive: the 10-year OP reviews, the limits on appeals to certain matters that affect areas of provincial interest. Those are really significant steps. I didn't speak to them a lot here because the city of Hamilton has endorsed them and wasn't suggesting any changes. Those will be very powerful and probably of a great deal of assistance to municipalities.

Mr. Percy Hatfield: Do you agree that growth should pay for growth 100%?

Mr. Jason Thorne: I do agree that growth should pay for growth, yes.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Thorne.

Mr. Jason Thorne: Thank you.

FEDERATION OF NORTH TORONTO RESIDENTS' ASSOCIATIONS

The Chair (Mr. Peter Tabuns): Our next presenter is the Federation of North Toronto Residents' Associations: Geoff Kettel and Cathie Macdonald.

It's good to see you. As you've heard, you have up to 15 minutes. Any time that's left over will be divided amongst

the parties for questions. Please introduce yourselves for Hansard. Take it away.

Ms. Cathie Macdonald: I am Cathie Macdonald, co-chair of the Federation of North Toronto Residents' Associations. Geoff Kettel is my co-chair.

Thank you for the opportunity to speak with you today about Bill 73, on behalf of FONTRA. FONTRA is an umbrella organization for residents' organizations interested in the planning and development of our city. We've now got about 31 different residents' associations as our members. We basically cover the area between Bathurst and Don Mills, north of Bloor.

I'm going to be commenting generally on Bill 73 and Geoff is going to talk specifically about committee of adjustment issues, which are a huge component of what we get involved in.

FONTRA supports three main principles that we see in Bill 73. First, changes to speed up official plan approval processes: We really need clear policies. For us, unduly long processes result in confusion and lack of clarity. Therefore, we support provisions like the prohibition of global appeals, the removal of the mandatory five-year review for employment land policies and restricting appeals for OP policies that conform with provincial policies.

Secondly, we support changes to increase efficiency in the development approval process, as this means less time and less work for all of us volunteers. We support the introduction of development permit processes—the city of Toronto is currently undertaking this—and other measures like alternative dispute resolution and the freezes on minor variances.

We also support changes to increase transparency, which helps us better understand what's going on and have better access to the information that we need. We therefore support requirements for reporting on money collected under section 37, for providing better explanations and notices of decisions, and for including information in the official plan on alternative measures for providing notices and obtaining views of the public.

The proposed changes in Bill 73 aim to address province-wide issues. We're working in the city of Toronto, where member organizations are confronted with huge development pressures, project complexities and institutional realities, including the probably too major role played by the Ontario Municipal Board. We look forward to having discussions about that in the future. These issues appear to be inadequately taken into account in Bill 73, but we recognize that some of these matters may be better dealt with in the City of Toronto Act.

We'd like to see the provisions for new official plans relating to the moratorium of global appeals and extending the mandatory review periods to 10 years apply also to general amendments, because we're doing so many amendments to our so-complicated official plan. These general amendments are related to policy for reviews like heritage and housing and neighbourhoods and such matters. We believe municipalities should decide relevant timeframes as different policy areas may require different reviews at different times without the need of a new plan.

We'd like to see population and area-related density caps in the official plan. This will help better ensure infrastructure and other supports being in place and will provide more certainty to residents and to the development industry.

We think the development permit system should not be imposed by the minister. Municipalities should decide when and how to introduce such systems, as their needs vary so much and the staff level of expertise needs to be in place.

1550

We also believe that one planning advisory committee should not be imposed on a municipality. Toronto has so many different processes, and one committee would be spending every hour of every day on all these kinds of matters.

I would now like to turn this over to Geoff to talk about minor variance issues.

Mr. Geoff Kettel: Thanks, Cathie.

One of the provisions in Bill 73 is subsection 28(1), concerning "the committee of adjustment shall authorize a minor variance," but in addition, to satisfy the requirements of that subsection, the minor variance conforms with other criteria. That's in the bill.

The Ministry of Municipal Affairs and Housing has established a provincial working committee. They invited a number of different interests to be involved. FONTRA is involved; FUN is involved, the Federation of Urban Neighbourhoods; MIRANET is, in Mississauga; and the federation of citizens of Ottawa is involved. The four of us have basically caucused together and collaborated in a submission to the ministry, which is contained in the submission that you have.

Just to summarize, we focused on the minor variance issue, which, as Cathie says, is a pretty hot issue in stable neighbourhoods in Toronto, at the very least with the committee of adjustment. There are literally thousands of minor variances coming through the city of Toronto, and several hundred in North York.

The three main areas that we hit: One was the four tests; secondly, protecting neighbourhood character and the question of "Does it fit?"; thirdly, municipal support to the C of A.

In terms of the issue about putting in a new regulation under the act, we weren't very supportive of that. We want to try to make the system work the way it is. Previously, submissions made by our organization plus CORRA, in light of the DeGasperis decision, were to enhance the four tests, and we would still submit that as being an appropriate way to go, rather than confusingly adding more tests to the issue.

In terms of neighbourhood character, that is a real front-and-centre issue for us. As a result of the poor application of the tests by committees of adjustment, you can detect the gradual erosion of the character of these stable neighbourhoods: affecting the rhythm of the street; tall, monster homes on tiny lots; and the intrusion of integrated garages where they were not characteristic of the street. It appears that the incidence of demolitions, rather than

merely renovations, is increasingly common. That's responsible for much of the erosion.

We feel that there is provision within the official plan for the municipalities to put in neighbourhood-protective wording, so that the committee, and subsequently the Ontario Municipal Board, will be able to use that. We are aware that the city of Toronto is currently enhancing its provisions in that regard, as is Mississauga. The city of Ottawa has gone a slightly different route; they have created a bylaw dealing with stable neighbourhoods.

We would see the provincial role being to emphasize to municipalities, having identified areas where protection of neighbourhood character is a priority, their obligation to have in place strong OP policies for neighbourhoods, that speak to the importance of preservation of neighbourhood character. The ministry should research, evaluate and provide guidance, training and support to municipalities in methodologies for determination of neighbourhood character, such as streetscape analysis methodology, and incorporation of that methodology in their official plan and zoning guidelines.

Finally, the municipal support to the committee of adjustment: It's kind of variable. There are a number of issues there. In our opinion, in the hierarchy of planners' attention, neighbourhoods tend to take a back seat to city centres, the downtowns, to the commercial avenues and to the industrial areas. Staff reports tend to be written on only a tiny percentage of applications and the planning resources applied to the C of A tend to be the most junior. Indeed, our council resources are sparse for defending committee of adjustment decisions. When you get a decision to not approve something, you expect council to support its own administrative tribunal. They don't always do that. They're very concerned about the dollar, which they should be, but sometimes, councils resist supporting the committee of adjustment at the OMB. That's a problem.

The province can be helpful in this regard, in directing the municipalities:

- to direct their C of A to rigorously apply the four tests; and

- to ensure that they are prepared to defend and uphold their OPs and their zoning bylaws at the C of A and at the OMB;

- to ensure that sufficient properly qualified staff are assigned to support the committee of adjustment so that applications are properly reviewed; and

- to properly advise applicants about the Planning Act requirements with respect to minor variances; and

- finally, to ensure that all appointed C of A members are qualified and properly trained.

There were actually three aspects that this committee was looking at. Minor variances was the major one. The other things were notices and complete applications. We did make a comment, not part of this written report. Our caucus did recommend that increased attention be given to assisting in rental accommodation, that renters be given proper notice of planning applications in their areas. I have personal experience of this, where there are

30,000 people not knowing about what's happening to their neighbourhood. Landlords are not under any real discretion to inform tenants. Therefore, there's just a lack of knowledge. That's something that should be looked at. We haven't seemed to have made a lot of impression with that issue at the ministry in that regard. Thank you.

The Chair (Mr. Peter Tabuns): Okay, Thank you very much. We have about two minutes left. We start with the official opposition. You've got about 45 seconds.

Mr. Ernie Hardeman: I just want to go to your latest comment, that renters should be notified about what's happening in their community. Any suggestions of how you would put that into legislation? These renters are, in fact, in a lot cases, not there for a long period of time. There's a lot of them, at least, who would move and so forth. How would the municipality make sure that they were notified properly of events taking place in their neighbourhood?

Mr. Geoff Kettel: It is a conundrum, and I think that's why the ministry hasn't jumped on it. I think that putting some legal onus on landlords to post notices in elevators, slip notices under doors, probably a notice board in each building, that kind of thing—that surely could be done.

The Chair (Mr. Peter Tabuns): Your time is up.

Third party: Mr. Hatfield.

Mr. Percy Hatfield: Welcome. Thank you for being here. What would your definition be of a "minor variance"?

Mr. Geoff Kettel: I think there was universal agreement on the committee that there's no such thing as a mathematical formula for this. A minor variance in downtown Toronto has been considered three floors on a 45-storey building, whereas adding on extra height in a stable neighbourhood can be very much not a minor variance. It really has to be looked at in context of the character of the neighbourhood, the fit of what is being proposed, and just fitting into the neighbourhood. That is a judgmental thing. But we think, with proper training and, really, a push from the government to have members better qualified to understand planning and some of the character issues, that would enhance that determination.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Last question. To the government: Mr. Milczyn.

Mr. Peter Z. Milczyn: Do you think that these changes, notwithstanding C of A issues, will go a long way to providing more certainty for residents and municipalities that their vision will actually be implemented for some period of time?

Ms. Cathie Macdonald: I think these changes are mainly better-suited for others, not for the city of Toronto. Other kinds of steps need to be taken. Because of the complexity of this city and the policies it's not a simple matter. For example, a planning advisory committee can't really deal with all the issues of the current city of Toronto. I was a planner with the old city of Toronto when it had a planning board, and it played a very active

role and dealt with all the major planning issues. I just couldn't see that happening with the amalgamated city.

1600

The Chair (Mr. Peter Tabuns): I'm sorry to say you're out of time, Mr. Milczyn.

Thank you very much. It's good to see you both again.

MR. MIKE LAYTON

The Chair (Mr. Peter Tabuns): Our next presenter is Councillor Mike Layton.

Mike, as you've observed, you have up to 15 minutes. Time left over will be given to the parties for questions. When you get comfy, introduce yourself for Hansard.

Mr. Mike Layton: My name is Mike Layton. I'm a Toronto city councillor. I think you have my prepared remarks in front of you. I'll try to stick to them.

I'm honoured to present to you today regarding the Smart Growth for Our Communities Act, in the hopes that I can make the case for expressly extending the power of municipalities to use inclusionary zoning as a tool for securing affordable housing in new development. While the act holds many important changes to Ontario's planning system, I believe it's missing one key point that will relate directly to the healthy growth of our cities: Inclusionary zoning gives municipalities the power to include, in the municipal zoning bylaws, specific requirements for affordable housing to be built as part of new development proposals.

I have represented ward 19, Trinity-Spadina, in the city of Toronto as the city councillor since 2010. My neighbourhood includes the areas bordered by Bathurst to the east, Dovercourt to the west, Dupont to the north and Ontario Place to the south. Like many neighbourhoods in downtown Toronto, my community is a growing one, with thousands of new housing units opening every year. The neighbourhood I represent includes Liberty Village, Fort York, King Street West, Dupont Street, Queen Street West, College Street and Bloor Street West, including the new proposed development at the historic Honest Ed's site. All of these areas are experiencing significant growth. All of these areas are helping implement the Greenbelt Plan, the Places to Grow Act, helping our economy grow, adding important housing units to our city.

In June 2015, Toronto city council unanimously supported my motion requesting that the province amend Bill 73 to give the city of Toronto permission to use inclusionary zoning. This is one of many times that we have formally asked for a regulation to allow us to use inclusionary zoning, a tool that is already provided for in the City of Toronto Act but which we have not had the authority to implement.

I would like to emphasize three points to you today:

—first, that inclusionary zoning will increase the affordable housing stock in municipalities, filling a growing need in neighbourhoods all across our community, and building more complete neighbourhoods that will all help us work to overcome the inequalities that exist in our city and society;

—second, that inclusionary zoning will give the land development industry more certainty in the development process, making investments more predictable and less risky; and

—finally, that inclusionary zoning is nothing new. It is a proven policy that has demonstrated it can get results.

A growing number of families are spending an increasing amount of their monthly income on rent. Home ownership is quickly getting out of reach for families living in Ontario, and Toronto in particular. In Toronto, there are 168,000 households on the social housing waitlist. These are families that need and deserve more affordable, safer and better housing options. A recent CBC report on real estate prices revealed that the average price for a detached home in Toronto has risen by 12% in the last year, to reach \$1 million in October 2015.

Inclusionary zoning would empower municipalities to make responsible land use decisions that would have lasting benefits for the city and the province.

Providing more affordable housing goes deeper than our ability to pay. It helps our communities overcome the inequalities that currently exist by encouraging a mix of incomes in new buildings and neighbourhoods. It simply builds a more just and stable community.

I grew up in a mixed-income co-op, a fact that the Toronto Sun would not let my family forget for many decades. But those who understand how co-ops work, and I know many of you do, coming from the municipal sector—they work by bringing different groups of people together. We may have paid a different amount in our monthly rent, but we did the cleaning of the hallways, just like every other family did on their part of the rotation. We got to know our neighbours, those with high incomes and those with low incomes. It didn't matter when everyone was coming home at the end of the day with their groceries, taking their kids out to play in the park. It simply was a more enjoyable and better way of life for those of us living there.

Social Planning Toronto estimates that a minimum of 1,000 to 1,500 units per year of affordable rental and home ownership would be created in the city of Toronto with such a program of inclusionary zoning.

Despite the city of Toronto's repeated requests for the power to enact inclusionary zoning over the last decade, the province does not permit Ontario cities the authority to use inclusionary zoning as a tool to build more affordable housing. Meanwhile, our city is desperately in need of more affordable housing stock.

At its meeting on Monday, April 27, 2015, Toronto's affordable housing committee requested that the city approve a submission to the province of Ontario's Long-Term Affordable Housing Strategy consultation, and that submission reiterated the city of Toronto request for inclusionary zoning powers so that we can ensure more affordable rent and home ownership units are built throughout the city. Then in June 2015, Toronto city council supported my motion to request that the province amend this Bill 73 to give the city of Toronto permission to use this inclusionary zoning tool.

While this is not the only solution, it is a low-cost tool to begin filling the gap in affordable housing stock in Ontario cities, that relies on leveraging the wealth that's being created through development to build affordable housing.

Land development can be a complex and risky venture. Municipalities have different standards, different regulations and different costs. Even in planning departments and amongst elected officials within a municipality, there can be very different expectations for developers on development sites. Providing certainty in the development process can help developers limit their risk and improve their ability to judge their investment.

Inclusionary zoning lays out a clear expectation for development on a site before an application is made, perhaps even before a bid is made, on the value of the property. Despite what some in the development industry might have you believe, studies by the National Center for Smart Growth Research and Education and the Furman Center for Real Estate and Urban Policy have shown that since the 1970s, inclusionary zoning for affordable housing has had no impact on house prices or the level of development.

If expectations are clear, the developer can evaluate the costs prior to purchasing a site or submit a proposal to a municipality, and municipalities can be assured of a steady increase in affordable units.

Over 400 municipalities in the United States, including Chicago, San Francisco, Washington and Denver, have used inclusionary zoning to create thousands of affordable units. Since the early 1970s, municipalities have been setting rates for the number of affordable units in new developments. By mandating 10% to 20% of its units in all new developments to be affordable, one municipality alone created 11,000 affordable units.

Fundamental to the inclusionary zoning policies in other cities is that they are mandatory and units are constructed on-site. Unlike parks dedications or some of the uses of section 37, it's not setting aside money so that you can build it somewhere else; it's creating that mixed community.

Inclusionary zoning should not be seen as a replacement for existing and much-needed expansion of social housing supports and funding, but it is another tool to help fill a growing gap in Ontario's housing market. All levels of government need to commit additional resources to ensuring the availability and quality of affordable housing for everyone. Inclusionary zoning is just one tool to ensure that the great wealth that's created through our new development also contributes to the health of our communities.

Finally, I would just like to reinforce that we have seen motions to this end on the floor of Queen's Park before. We should be doing everything we can to move those forward. I believe, given that what we're talking about here in this bill is building strong communities, this is certainly one of those changes that could help us accomplish that.

Thank you very much for your time. I believe I was under time there, so there might be time for questions.

The Chair (Mr. Peter Tabuns): You're fine. Thanks, Councillor.

It's about a minute and a half per caucus. Mr. Hatfield, if you'd like to proceed.

1610

Mr. Percy Hatfield: Welcome back to Queen's Park. It's nice to see you again.

As you've mentioned, Michael, there have been in recent years at least five or six bills—I think six, counting Mr. Milczyn's—on inclusionary zoning. Why is it you think that despite having all the bills in front, being supported, going to committee and just languishing there and the city of Toronto again asking for something—why is it that the government hasn't acted?

Mr. Mike Layton: I don't think I'd speculate as to why the government hasn't acted. I think that there are those in government who have put forward and realized the benefit of this. I believe—and we have felt this at city hall, trust me—that the development industry has a rather significant lobby, and they've used that to help reduce their development charges at the municipal level.

It's difficult to overcome those arguments about, "This will impact and actually drive up housing costs." Well, the fact is that we've seen, or at least the research that we have here shows, that it won't and that it doesn't in the end. I think that's something we need to take home.

We're helping developers create an enormous amount of wealth when we up-zone properties. I think it's important for us to keep perspective and to say that as that wealth is created, we need to make sure that we're building cities that can last the test of time.

Mr. Percy Hatfield: I think there are, as you say, more than 400 communities in America that have done it. We need someone in Canada to lead the way, I would take it.

Mr. Mike Layton: They've done it quite successfully. If we could walk away from here knowing that we're going to be creating 1,000 new units or more on an annual basis—it's estimated that the city of Toronto alone could create between 1,000 and 1,500—if we could walk away with that on an annual basis, it's not going to be the silver bullet, it's not going to address all of our homelessness and affordability issues, but it certainly would start chipping away at that wait-list.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. To the government: Mr. Milczyn.

Mr. Peter Z. Milczyn: Good afternoon, Councillor Layton. Thanks for your presentation. You did say that the city of Toronto did make a submission to the minister's consultation on the Long-Term Affordable Housing Strategy?

Mr. Mike Layton: Yes, we have. I believe we also were hoping to make a submission on this bill, and should the bill on inclusionary zoning continue to move forward, I will also be here cheering that on as it comes.

Mr. Peter Z. Milczyn: There's also the review of the City of Toronto Act ongoing, where the city of Toronto

did have the ability conceptually to do inclusionary zoning, but it didn't have, I guess, the regulations behind it to do that. But that review is also ongoing.

Mr. Mike Layton: Yes, and I believe that changes to allow for inclusionary zoning are included in the city of Toronto's pitch on that level.

Mr. Peter Z. Milczyn: The final comment or question I was going to put to you: In this bill, the community development permit system is being brought forward. Of course, we had a development permit system before but, again, without the regulations to allow to enact it; now it could actually be enacted. That system as well could be used by a municipality to mandate the provision of the construction of some affordable housing in those neighbourhoods that are covered by a community development permit system.

Mr. Mike Layton: It could. I think there would be two issues with that. One is on the appeal mechanism. Again—

Mr. Peter Z. Milczyn: Well, there are no appeals to a community development permit system.

Mr. Mike Layton: To individuals, but to the overall—it's my understanding that there still could be appeals to the overall development permit area, not to individual proposals.

But I would say that's the cautionary issue around that. There may be some neighbourhoods that would for any reason opt not to include an affordable housing component. I think that would be wrong. I think that having a city-wide standard will allow us to ensure that every community is a mixed-income community, and no matter if you're developing it in Etobicoke, Scarborough or downtown, you're contributing to the affordable housing mix. I think that's one piece that we might lose in the affordable housing—

The Chair (Mr. Peter Tabuns): Councillor, I'm sorry to say you've run out of time.

I'll go to the opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much, Councillor, for your presentation. I just quickly first wanted to look at the City of Toronto Act. You said it's already in there, but you weren't given the authority to implement it. Is that just because they didn't proclaim that section, or is there something else in there that prevents you from doing that?

Mr. Mike Layton: While I've been educated as a planner, I'm not much of a lawyer, and so I wouldn't want to get too deep into this. My understanding, as it has been explained to me, is there's a conditional zoning provision within the City of Toronto Act that just about says that you can put conditions on zoning, but without a regulation specific to the affordable housing component, city staff and city legal staff are a little reticent to put this to the test because it could get challenged, and we're not as sure-footed as we'd like to be.

Mr. Ernie Hardeman: You said the studies have proven that in fact, inclusionary zoning does not increase the price of housing. You've also told us that the housing in Toronto has gone up quite dramatically. I have two

sons who live in your ward—one lives in your ward and one outside.

How do you explain where the money comes from to pay for providing affordable housing within that development? If it's not going to increase the cost of the housing, who is going to pay?

Mr. Mike Layton: My understanding is that different jurisdictions have taken it in different ways. Some have included, as part of the inclusionary zoning, these increases in density that have linked increases in density in neighbourhoods to the amount of affordable housing that's going in. That would just make it a little bit more solid than section 37—the use of a community benefit clause.

I suspect, though, that developers, in their speculation of the land value and in the costs of building, absorb some of that cost because they're garnering an enormous benefit and reaping these benefits with the sale of these condos. Typically in one of these deals, it's sold several times before a project actually gets to the end point. I suspect that it's a bit of the cost of the buildings.

The Chair (Mr. Peter Tabuns): Councillor, I hate to say this, but you're out of time.

Mr. Mike Layton: Thank you very much.

The Chair (Mr. Peter Tabuns): You're welcome.

Mr. Percy Hatfield: He hates to say it, but he's smiling as he says it.

The Chair (Mr. Peter Tabuns): I try to be friendly when I cut people off.

1468863 ONTARIO INC., QUEENSVILLE PROPERTIES

The Chair (Mr. Peter Tabuns): Okay, next presentation, then: 1468863 Ontario Inc., Queensville Properties: Mr. Noble Chummar and Mr. Alan Duffy. If you'd all have a seat.

As you've heard, you have up to 15 minutes for presentation. If you'd introduce yourselves for Hansard before you start.

Mr. Noble Chummar: Thank you, Mr. Chair. With your permission, I have one of our articling students, Jacqueline Richards, who helped us with these submissions. I've asked her to attend as part of the experience of being here.

I'd like to thank you for the opportunity to speak to you with respect to Bill 73, and to advise you that we are here specifically for one particular provision in the act as it relates to the Development Charges Act.

I'd like to now introduce Mr. Al Duffy, who is a former mayor of the town of Richmond Hill. He will identify why my client is interested in proposing an amendment to subsection 9(4) of Bill 73, as it relates to providing the minister or the Lieutenant Governor in Council the authority to exercise discretion to incent development and developers to take into account smart growth and transit-oriented developments.

We believe that the current system does not provide a regime that allows for developers to take smart planning into account. We think that by adding a simple provision

to this bill and to this act, it will allow the province to achieve its objectives of making sure that, for lack of a better word, dumb planning doesn't occur by putting, say, a monster home or something like that in a place where more intensified development should actually be.

On that note, I will pass it to Al Duffy.

Mr. Al Duffy: Thank you, Mr. Chair and members of committee. Noble mentioned that I was mayor of Richmond Hill. Unfortunately, I was there up until 1989. I just missed development charges; they came in right after that. But we got along fine. We had money in the bank and we took care of things. We had levies, but nowhere near what you have today.

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I want to talk to you about a couple of projects that I'm involved in now: One is Queensville, and the second one is up at Langstaff, at Highway 407 and Yonge Street.

The Langstaff Gateway community is a very dense community, a complete community, at the intersection of Yonge and Highway 407. It has been designed by a world-famous urban designer out of California. He indicated that this is probably the finest site that he has ever worked on. It has five modes of transportation either in place or planned. Nowhere else in North America has that. We put together what I believe is probably the largest project in North America: 15,000 residential dwellings, 20,000 jobs, all the retail, restaurants—everything you need for a complete community, to the point that we don't even have enough parking for the residents. They are going to have to take transit; they're going to have to deal with it that way. It has a planned subway, the Yonge Street subway. Right now, there's a tremendous amount of work going on on Highway 7; the province has put about \$1.2 billion into it. It seems that we're going to bring all those people together with no place to go because the subway isn't there. Certainly, it seems to me that it's going a little backwards. We should reverse that, but maybe it's too late for that. This site is 43 hectares, just a little over 100 acres. The growth plan calls for about 200 people and jobs per hectare. We're a little over 1,000, so it's just because of that site.

I'm also involved in a project called Queensville. We put that together a lot of years ago for a lot of reasons. It has taken time to get there. It has about 10,000 residential dwellings and about 8,000 employment opportunities—a little less than the Langstaff site. It sits on 3,000 acres. It's ground-related housing. It doesn't have access to transit like the Langstaff site does. It's one of those sites that's typical of what you see—maybe a little bit denser than some—in the suburbs. The interesting thing is that although it's 3,000 acres, it pays a lot less in development charges than the Langstaff property. For the Langstaff property, development charges alone, using today's rates, are about \$650 million, a little over \$300 million for Queensville; 3,000 acres versus 100, or 43 hectares versus 1,200. If you took the Langstaff property and spread it out like you do in the suburbs, like the development you see, it would likely use 4,000 acres. I can almost justify those dollar values for 4,000 acres; I have

trouble for 100. So we believe that there is an incentive needed for that.

Right now, just so you think about it, development charges in the suburbs—and I was on both sides of the fence there. I looked at three municipalities, and development charges in all of the municipalities I've looked at are equivalent to about 10 to 12 years of back taxes. They're paying the equivalent of what people paid over a 12-year period for development charges.

So I think the incentive is needed there. I think the growth plan is good. It tells you what to do; it gives you opportunities where there's transit. But if we drop it down to the lowest number, transit isn't going to work. Nothing is going to work but building a lot more roads like Highway 7, with a massive amount of cars on it and a little opportunity for transit. We've got to reverse that and get up to it so that it's live-work, and you can't do that at the low densities.

That's pretty well what I have to say, Mr. Chair. I would be really pleased to answer questions.

Mr. Noble Chummar: If I can just add for the record, Mr. Chair, I'd like to read verbatim so that it goes onto the record what our proposed changes are. We're suggesting that clause 9(4) of the proposed act be amended by adding the following clause, which would be a sub 4:

"For the purposes of section 60" of the Development Charges Act, "when prescribing services, specific areas, and prescribed classes of developments and services for determining area-specific development charges, the Lieutenant Governor in Council may exercise its discretion to take into account the need for smart growth and transit-oriented, complete and compact communities by incentivizing targeted urban intensification where it serves the public interest."

We believe that by adding this particular provision, it would allow the province of Ontario to achieve its ultimate objective of building smart communities.

Thank you for your time.

The Chair (Mr. Peter Tabuns): Thank you. With that, we go to the government. Mr. Potts?

Mr. Arthur Potts: Thank you for being here today and for your presentation. Help me understand better. The development charges opportunity here is flexibility in what municipalities want to charge. It's my understanding that will allow them to reduce development charges, maybe along a transit strip, in order to incent people to come into a transit corridor, and then raise them, maybe, on other parts in order to disincent people to be in communities where a reliance on more expensive roads, sewers and water supply systems would be of less benefit to the municipality. How is it you don't see what we're doing here with the flexibility being built as meeting the objectives?

Mr. Noble Chummar: I might just start with that you're correct, Mr. Potts, in that the legislation as drafted certainly does contemplate this. This is the government's intent. The government's intent is, if this act passes, to give the municipalities the ability to make decisions as they see fit.

What we are proposing is to also give the Lieutenant Governor in Council, i.e. the province of Ontario, the ability to take a look at areas that they've already identified as smart growth areas, or any other particular area that is in need of urban intensification, and to make a decision based on principles that are contained in your own public planning policies. I don't know if Mr. Duffy has anything to add to that.

Mr. Al Duffy: Mr. Potts, I think that's a very good question. As Noble has just said, we're looking at the growth nodes, growth centres, corridors, and anywhere where there's massive transit, where you have a lot of investment in transit. But we're now seeing along those corridors that instead of giving some incentive, in fact, what happened is that the developers are just having to downsize because they cannot afford to build the high-rise buildings. There is so much more involved—underground with parking and all of those things. The easiest thing to sell anywhere is a house with two garage doors; you can do that anywhere.

Municipalities are making a lot of money either way, I believe. They're covering their costs. We didn't hear that from a lot of speakers today, but they don't seem to be in trouble. I did it before when we didn't have development charges and we made our town work. When you have to, you have to, and you do it.

The Chair (Mr. Peter Tabuns): Mr. Potts, I'm sorry.

Mr. Arthur Potts: All right.

The Chair (Mr. Peter Tabuns): Mr. Hardeman, you have about two minutes and 20 seconds.

Mr. Ernie Hardeman: Thank you very much for your presentation. I just want to follow up on the last question. The issue of the difference in cost of developing one area over another, of course, affects different developers in one area over the other. Are you suggesting that there should be something put in place that would even it out, so there was some way through the Development Charges Act you could actually give a fair deal regardless of where it was going to be developed, so you could develop at similar cost?

Mr. Noble Chummar: On that note, and Mr. Duffy can answer this after me—

Mr. Al Duffy: I think I can. Oh, go ahead. Are you suggesting—

Mr. Noble Chummar: Yes, I was just going to say I think the purpose is to be agnostic in terms of who owns the land. I mean, that's not how one ought to operate and plan from a planning perspective. But it's to look at transit areas, to look at urban centres within a municipality, to respect the municipality's own plans and general zoning.

To answer your question, no, I don't think that there's a goal here to pick one area over the other. It's to pick the right area over another, and to incentivize whoever owns those lands to build appropriately and to build in an urban-intensified way.

Mr. Al Duffy: It's really to deal with the growth plan itself. The growth plan itself identifies a series of growth nodes throughout the greater Toronto and Hamilton area.

It's within those growth nodes where the most transit is. That's where you want to get intensification. We think you need some incentive to do that. That's really what we're talking about.

Mr. Ernie Hardeman: Thank you.

The Chair (Mr. Peter Tabuns): Mr. Hatfield.

Mr. Percy Hatfield: I guess I'm looking at it from the other way. Isn't the incentive already there, that the government or governments together have built the transit lines or are building the transit lines in order to encourage you to build the housing for people who would make use of the transit?

Mr. Noble Chummar: If I can respond to it first again, a lot of the government announcements on these transit lines in intensified areas are exactly that. They're just announcements.

Mr. Percy Hatfield: No.

Laughter.

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Mr. Noble Chummar: What we feel is, though legislatively a mechanism like this could actually incentivize the development in these corridors, the reality is that a lot of these development charges get passed on to the consumer and they get passed on to homeowners who, if we're talking about incentivizing a single parent with a family, passing on an additional \$20,000, \$25,000, \$35,000 to that consumer doesn't make sense. Frankly, it makes it unaffordable.

As obtuse as this sounds, this provision or this legislation, even as it's written right now, actually incents affordable housing.

Mr. Percy Hatfield: Should growth pay for growth 100%?

Mr. Al Duffy: I think there's a shared responsibility. Growth brings a lot of improved services to communities, as well. You wind up with better fire protection because a lot of communities—Queensville is going from a part-time fire department to a full-time fire department. There's got to be some contribution. They're getting better water service, they're getting better sewer service, they're getting better recreation services. There's no pool in some of these areas, and development brings that.

I think it's got to be shared and I think that's why the government looked at it originally and said there should be a share in there. I truly believe there should be. Are we building too much? Yes, probably, but people demand better. We've got to look at the long term and can we afford to keep it.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. We've come to the end of the time.

ANGUS GLEN DEVELOPMENTS LTD.

The Chair (Mr. Peter Tabuns): The next presentation: Angus Glen Developments Ltd., Mr. Smiley. Sir, as you've heard, you have up to 15 minutes to present. There will be questions if you have time left over. If you'd like to introduce yourself for Hansard.

Mr. Neil Smiley: Thank you, Mr. Chairman, members of the committee. My name is Neil Smiley and I am a partner with Fasken Martineau DuMoulin law firm here in Toronto and represent Angus Glen Developments, a long-time fixture on the Markham, Ontario, development scene.

It's a distinct pleasure to be here today to speak to you about a focused and critical area of Bill 73 regarding development charges that I respectfully submit requires your committee's and the government's immediate attention.

Before I start, let me tell you a bit about myself and, in particular, Angus Glen Developments so you have some context for the remarks that I'll be making to you.

I've been practising real estate and development law for 25 years at Fasken Martineau and have extensive experience with real estate transactions as well as with land use, development and planning issues for both small and large-sized developers. Before becoming a lawyer, I was a professional urban planner for a Toronto-area municipality. My comments to you today regarding Bill 73 as it relates to development charges come from an informed place, from the trenches of the daily grind of interpreting and navigating planning legislation and how it impacts developers' investment decisions from project to project and from municipality to municipality.

As far as my client, Angus Glen Developments/Kylemore Communities has established a reputation for being an industry innovator and builder of superior homes and communities. Kylemore is also headquartered in Markham, Ontario, where it has built more than 1,000 homes in the Angus Glen community, surrounded by two pretty good golf courses. Residences range from boutique condominium suites to elegant townhouses, executive detached homes and inspired custom-built homes.

But most importantly, in 2013, Angus Glen/Kylemore was recognized by BILD, the Building Industry and Land Development Association, with the prestigious Places to Grow Community of the Year, low-rise. The award recognizes the community that's the best example of smart growth, environmental preservation, recreational amenities, streetscapes and architecture. Angus Glen Developments is synonymous with smart growth and arguably one of the first developers in the GTA to embrace the concept of new urbanism while providing for planned complete and compact communities well before provincial policy statements and the growth plan brought smart growth into our day-to-day dialogue.

I will speak to you and focus only today on the Development Charges Act. If I could leave you with only one takeaway, members of the committee, from my presentation today, it would be that with respect to the proposed specific changes to the Development Charges Act, Bill 73 has unfortunately missed the mark in promoting the very smart growth for Ontario's communities, the mandate that the name of the legislation serves to protect.

In particular, there is a dangerous disconnect on the one hand—and I think you heard it from an earlier speaker—between all the hard work, good planning work, that predates this bill through Ontario's provincial policy statements, the Places to Grow Act, the growth

plan, those policies that encourage intensification of existing urban areas in certain earmarked locations to slow urban expansion; all of that good stuff on the one hand and on the other, between the current development charges regime that in no way encourages, promotes or incentivizes the development of the very thing you are looking for—the intense, compact and transit-oriented projects, particularly in the urban growth centres—the unthinkable result being a failure, I would suggest to you, to slow urban expansion beyond the urban areas and into the whitebelts and beyond.

To best illustrate the point, I wish to focus for a few minutes on the urban growth centres that are identified in the province's growth plan, some 25 locations that the province has earmarked for, let's say, special treatment, areas that the province is counting on as lightning rods for intensification and redevelopment of existing urban areas to meet critical density and employment targets into year 2031, while at the same time keeping urban expansion in check.

Angus Glen Developments has a substantial interest in one of those identified urban growth centres—I think you heard about it just before—the Langstaff Gateway growth centre located in Markham. I use that centre as an example, but my comments to you today would apply equally well to other growth centres across the province, for which the province has identified the need for intensification. Simply put, the province identifies in the growth centres those key places it wants and needs intensification to go, but it has not created any incentives which might be better characterized as safeguards in the development charges regime to level the playing field with development sites that are not within such growth centres, but which either pay the same development charges per unit on similar-sized parcels or—dare I suggest—consume much more land with lesser-density projects, and pay significantly less development charges as a result.

Moreover, the straight-line, one-price-fits-all development charges for higher-density projects, I would suggest, is causing developers to push—imagine the irony—for lower densities, rather than pursue the higher density that the provincial plans would support. This disconnect, I suggest to you, is taking hold across many growth centres, with development charges, particularly in the 905, outpacing the market and turning the economics of such projects potentially on their heads.

If one reads the current debates on this bill—I appreciate that there were extensive debates so far—there are a number of members who acknowledge that the extra costs of development are being pushed onto the home-buyer, making such home building unaffordable to the average buyer. But while affordable housing is getting out of reach for many, what the current development charges regime is actually doing is making the higher-density product imprudent for some developers, in many cases, to pursue, with all its associated costs and charges, particularly the magnitude of these development charges. In the 905, development charges are soaring, even making the city of Toronto fees, high by anyone else's stan-

dards, pale in comparison, and in many cases making intensification in the city of Toronto proper the choice of many developers, even those who cut their teeth in the 905 in the 1990s and 2000s.

Have this picture in mind for a moment: The development charges for a single-family home in Markham are almost \$70,000; in Vaughan, they are \$65,800; while in Toronto, they are \$36,000. The development charges for an apartment condominium unit—let's say, one that you can turn around in of 650 square feet or more—are \$45,000 in Markham, \$42,000 in Vaughan and an approximate average of \$17,500 in Toronto.

Is it that the 905 municipalities have capital growth-related and service costs that are double or near triple that of the same costs in the city of Toronto? I don't believe so. A week doesn't go by where we don't hear something about the stifling costs of deteriorating infrastructure here in Toronto. So how is it that the 905 has such staggering development charges? How much longer can the 905 market sustain the stifling DCs—some two or three times that of Toronto—where the same units in the 905 cannot be sold for anywhere near the upside market prices in the city of Toronto? In the words of some members during your debates, do you simply chalk up these staggering costs of the DCs truly to the cost of growth paying for growth? Well, committee members, I respectfully suggest to you that the day has come, through Bill 73—we have the chance here—that smart growth should not be paying the same charges that as-is traditional land-gobbling and—mind my words—stupid growth is paying.

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Growth that is centred to the growth centres earmarked by the province should—let me restate that—must be encouraged and incentivised with a preferential development charges regime. It would make eminent sense to treat a development that harnesses the province's growth strategy by building vertically on an acre of land differently than the development that eats up 50 to 100 acres of land horizontally for singles or towns.

As an example of a provincial growth centre, the Langstaff Gateway centre comprises some 47 hectares or 100 acres of land in the Highway 401 area between Bayview Avenue on the east and Yonge Street on the west. It's not a greenfield site; it's not a place where there are no services. It's a brownfield site where there's running water, municipal infrastructure and the like.

Many tout the Langstaff Gateway area as the leading growth centre in North America and the city of Markham, and a place for, perhaps, as built out, 48,000 or so residents and up to 30,000 jobs. The city of Markham and the region of York have embraced the province's Langstaff Gateway growth centre designation, and each has recognized the high-density, employment and mixed uses in their official plans to support this transit-oriented growth centre.

But the development charges in Markham's growth centres and in other 905 municipalities simply do not make sense and run at cross purposes to the government's intensification objectives to curtail urban sprawl.

How can it be, members, that the development charges in a growth centre are the same as development charges outside of growth centres? You've identified those key places where you want development to happen, but the municipalities are able to charge the exact same amounts outside versus inside. How can it be that the development charges for a growth centre that is on brownfield lands, lands that are serviced, lands that are running water—how can they be the same as development charges on lands that aren't in a brownfield area? There are millions of dollars for the environmental cleanup, yet the development charges are exactly the same.

Ladies and gentlemen, the disconnect between real smart growth and the development charges regime is real, and is not only impacting the affordability of housing for the consumer, but also the resolve and ability of builders to upfront the enormous costs and assume the high-stakes risks involved.

If I leave you with a sense of appreciation of this disconnect, or even if I raise a question in your mind, I'm hopeful that you will use the committee's deliberations to address this disconnect in either a change to Bill 73 or a specific regulation to ensure that our development charges regime is aligned with and promotes your provincial policy, that is, the province's current strategy to promote more intense and compact growth, and complete communities where people both live and work.

I respectfully submit to you in conclusion that where your minimum growth targets for these growth centres are being surpassed, the message be loud and clear to the municipalities and the development community that such smart growth, growth where the province really wants to see it, is truly being promoted and will be treated economically favourably under Bill 73 so as to discourage the sprawl that none of us can afford to see.

Thank you, members of the committee. If you have any questions?

The Chair (Mr. Peter Tabuns): Thank you, sir. There's about 45 seconds per caucus. We start with the official opposition. Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. My question really is, if there is a direct relationship between the cost of growth and development charges, then how can this bill or any other bill deal with the issue that in one municipality, it costs less to develop than in another municipality?

Mr. Neil Smiley: It's a good question, member. I think where I'd like to see Bill 73 go is to tell and send a message to the municipality that where they have the flexibility to impose differential development charges, they're one and aligned with you, the province or the current legislation, that in those growth centres, in those intensification areas, that's where we want that next development to go, not in the farmer's field.

The Chair (Mr. Peter Tabuns): I'm sorry to say that you're out of time with this questioner.

We go to the third party. Mr. Hatfield.

Mr. Percy Hatfield: We have a different perspective on development fees because in my part of the province,

in Leamington, they've done away with them in a three-year experiment, and Harrow has cut them in half.

Are you having trouble selling the homes you're building and getting the cost of the development fee out of the new buyer?

Mr. Neil Smiley: I think, member, you've hit it on the head. I think what's happening is that these high-density intensification, very sexy, for lack of a better word, developments aren't receiving the traction in the marketplace because the upfront costs are so great. The 905s are particularly a place where you'd like to see some preferential treatment to get those projects off the ground.

Mr. Percy Hatfield: What would it take? What would be the incentive for your employer?

The Chair (Mr. Peter Tabuns): I'm sorry, Mr. Hatfield, you've run out of time.

We go to the government: Mr. Potts.

Mr. Arthur Potts: Yes, thank you for being here. Tell me what your fix would be.

Mr. Neil Smiley: There are a lot of fixes, but my fix, member, would be that if a developer is playing the game—and what does that mean? If he's meeting the density target and exceeding it. You've identified growth centres and you've identified so many jobs and people per hectare. If he or she is beating those minimum standards that you've set, there should be a discounted number, an incentivized number on the development charge.

It makes no sense that a cup of water full, a condo this tall, pays the same development charges in a growth centre as when I spill this water on this desk to a subdivision—pays the exact same amount.

Mr. Arthur Potts: And does Mr. Chummar's amendment get to that?

The Chair (Mr. Peter Tabuns): Mr. Smiley and Mr. Potts, I'm sorry to say we've run out of time. Thank you very much for your presentation today.

CONDOR PROPERTIES LTD.

The Chair (Mr. Peter Tabuns): Our next presentation is Condor Properties Ltd., Sam Balsamo. Mr. Balsamo, welcome. You have up to 15 minutes. If you'd introduce yourself for Hansard, and it's all yours.

Mr. Sam Balsamo: I'll just set my timer. Thank you. My name is Sam Balsamo from Condor Properties Ltd. I thank you for the opportunity of making this delegation or presentation to this committee on what we think is an incredible opportunity to assist the growth plan in providing the proper tools.

We at Condor Properties Ltd. had embraced the growth plan when it came out and we believe in its vision and, as a result of that, have been one of the major developers that have assembled the land and bought the Langstaff Gateway community development to a point where the approvals have been met so that we can achieve what we think is the vision of the province in the intensification corridor.

We've learned a lot throughout the way. If you ask me if we've built the first building, the answer is no. I think a

lot of that has to do with the development charges and also, under the Planning Act, the park land dedication. So collectively between the two, it's stifling growth.

I think the growth plan vision of compact communities is in jeopardy as a result of that, because in isolation, the policy and doctrine cannot be realized without providing the tools to do so by aligning other acts, like the Development Charges Act and the Planning Act to name a few, with the plan of the growth plan; or in addition, other ministerial departments, like education, to consider alternative forms of facilities like urban vertical schools. I know that's not the subject matter of Bill 73, but I hope that later on, there could be some additional tools that can be provided to assist the growth plan.

The simplest way to describe the status quo is that we have a vision to create and develop urban communities and environments within the growth plan, but that vision lives within the suburban rule book of laws and policies. We have to begin to create an urban rule book in its entirety.

The Smart Growth for Our Communities Act, Bill 73, is a good start. The following are my comments on areas of focus that should be considered given the current opportunity to get the tools right.

Firstly, the development charges should not reward low-density development and stifle high-density urban intensification centres. Secondly, current park requirements by the municipalities, in conforming to the Planning Act, are prohibitive and stifle the economic viability of the high-density intensification centres.

Before I talk about the two points, I just want to put the growth plan in its appropriate context. The summary of the growth plan, to better understand our comments on the Development Charges Act modifications, is as follows.

The growth plan establishes a new vision for planning in the greater Golden Horseshoe. It establishes that the province, as a follow-up to the greenbelt—for the purposes of reigning in urban sprawl in favour of denser mixed-use, complete communities.

The emphasis on intensification in existing urban areas is within the urban growth centres and intensification corridors identified in the growth plan. The model of growth is in direct contrast to the growth that prevailed prior to the growth plan, meaning urban sprawl.

Intensification projects are more efficient, beneficial and challenging. Intensification encourages and utilizes less land resources. Low-density development demands on new infrastructure are a lot more exceeding than on intensification. Low density, therefore, is more inefficient and more expensive.

So the vision of the growth plan is correct. Is it happening? The answer is no. Why? Because we need new tools.

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Development charges and parkland dedication and/or cash in lieu are creating substantial roadblocks for the development of the intensification nodes identified in the growth plan. More density has created large windfalls of cash, or potential windfalls of cash, to the municipalities, or potential windfalls disproportionate to the economic

burden that such intensification nodes present to the municipalities or the regions. We are in a position where such taxes create a negative land value scenario, thus discouraging intensification and encouraging low-density development.

The results are a municipality using the tools that they've got, and they get in the way of intensification. There are outdated development standards for parks, schools, community centres etc. that don't conform to the urbanization model, and it's simply a suburban rule book in an urban environment. The current system supports low-rise density developments and punishes intensification, for lack of a better word.

Pressures to expand the urban areas within the white-belt will continue if we don't get the tools correct, and the cost of housing will continue to skyrocket due to the limited supply of land and the ineffectiveness of the growth plan implementation to allow for affordable housing to take place and to meet the supply curves. The constraint of land and the inability to execute intensification nodes leads to a shortage of housing supplies. In the face of increased immigration and housing demands, this leads to higher home prices. Higher home prices are not so much about the low-interest-rate environment as the lack of supply.

Let's talk about the development charges and why the current role of development charges in determining what gets built is not intensification. Development charges subsidize the lowest density housing forms while penalizing the highest forms, as I've previously said. This is a direct result of increased densities on a per-hectare basis and the application of the same formula. For example, in Markham Gateway, there is a block within that gateway that's 0.75 hectares that requires relatively limited new road or servicing. It would generate \$30 million in development charges, which is the same as the 29 hectares of land under a low-density scenario that requires more resources. This has created an economic and policy barrier to the intensification and the realization of the intensification nodes.

Markham Gateway, as you heard, or the Langstaff Gateway, is a significant intensification node with 15,000 resident units and 3.5 million square feet of office, commercial and retail on approximately 130 gross acres, net 100 acres. The equivalent low-density scenario requires over 4,400 acres of land. Notwithstanding the examples, the DCs for low rise are less than the high rise, thus creating an environment contrary to the intent of growth, where we are subsidizing, promoting and encouraging low rise.

I think a large part of that is because of the municipality's and the region's application of the average-cost approach to calculating DCs. Development charges are contributing disproportionately to the increased cost of the average dwelling. The average-cost approach leads to inefficiencies. We need a substantially increased enumerator and to add more units to the denominator, being the hectare. This leads to the average cost of being subsid-

ized by the density nodes as a result of the increasing amount of density within a small area.

An example of applying the current methodology is that in the Markham Gateway community, we would generate almost \$15 million to \$20 million in residential development charges per hectare compared to \$1.7 million per hectare in a community known as Wismer Commons in Markham, or \$1 million in the Queenston community. That's staggering in terms of the differential, and I would suggest to you that the economic burden on the intensification nodes is significantly less for the municipality than the urban sprawl approach.

So how do we restructure the development charges? We need to encourage existing urban and urban-designated lands to develop more efficiently in accordance with the growth plan principles. We need to better reflect the true cost of low-density development and abandon the average-cost approach, given the existence of two new worlds: a low-rise development and a high-rise development world in significant intensification nodes, thus leading to two different structures, i.e., an urban rule book and a suburban rule book.

The urban growth centres identified in the growth plan should be given priority with a focus of promoting the maximum intensification possible, well beyond its targets. One possible methodology is to cap the development charges at the targets set in the growth plan, and bonus for those exceeding the growth plans.

On the Planning Act and parks, there is a similar analogy. Without getting into the scenario, there have been certain circumstances within the regional municipality of York and some municipalities where they've not only applied the Planning Act approach of one per 300 but also applied specific amounts, which basically led to a penalty for the developer to go ahead and try and meet intensification notes.

Specifically, we were part of a development where we had high density by right and we had about 18 to 20 storeys where we could have done, maybe 3,000 units, and we went in and went for downzoning in order to allow for only 1,500 townhouses. Between the development charges and the parkland dedication, it created a negative land value where it was actually costing us money to do that development.

That is an environment which is completely inconsistent with what the growth plan intentions are. Quite frankly, that is not an environment that we think should continue. The opportunity is now, under Bill 73, to not only fix the development charges but also to deal with urban parks and an urban environment with respect to parkland dedication.

In conclusion, the Smart Growth for Our Communities Act is welcome and it's a start to creating the tools required for an urban rule book. Both the Development Charges Act and the Planning Act should encompass discretion for the minister to apply a specific set of guidelines to promote and encourage intensification in those intensification centres identified in the growth plan.

My suggestion is that the discretion of the minister is probably appropriate because the necessary studies would need to be done in order to ensure the bonusing component with respect to targets that exceed the minimum set in the growth plan, as opposed to a blanket formula that may or may not apply in all circumstances. We need to get away from the average-cost approach and deal with specific communities, specifically in the intensification corridors.

Thank you for your time.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Balsamo. We've got about a minute and a half per party. We're starting with the third party: Mr. Hatfield.

Mr. Percy Hatfield: If I can talk about parkland dedication first—thank you for being here, by the way. You're of the opinion that—what?—you're paying too much cash in lieu for not providing parkland?

Mr. Sam Balsamo: In an intensification environment, the answer is yes.

Mr. Percy Hatfield: Isn't more parkland in an intensification project—doesn't it make for a better quality of life and a more enjoyable place to live?

Mr. Sam Balsamo: I thought that until I heard Peter Calthorpe, who was the urban planner and a renowned worldwide planner who worked with us. He basically said that when you're trying to create a transit environment and an urban environment, it doesn't necessarily mean that the park has to be right next door. There has to be connectivity to a park network.

Mr. Percy Hatfield: A park network?

Mr. Sam Balsamo: A park network. Therefore, a contribution towards that park network may make sense. But to the full burden that it is as a suburban network, it does not make sense.

Mr. Percy Hatfield: But somebody has to pay for it.

Mr. Sam Balsamo: Somebody has to identify what the park network should be and a proportionate amount should be paid for by the community; that's correct.

Mr. Percy Hatfield: As far as the development fees go, you're obviously of the opinion that you're paying way too much for those.

Mr. Sam Balsamo: That's a subjective answer, but I would say yes. As it relates to the intensification corridor, I think the numbers speak for themselves. When you have \$15 million to \$1 million per hectare, it just cries that there's a problem here. When you have 4,400 acres of land, I realize that we need to—

The Chair (Mr. Peter Tabuns): Mr. Balsamo, I'm sorry to say that your time is up with this questioner.

We have to go to the government: Mr. Potts?

Mr. Arthur Potts: Thank you very much for being here. Municipalities set the development charge.

Mr. Sam Balsamo: That's correct.

Mr. Arthur Potts: Is it your submission that the province should be directing them about discounting in high-density areas as opposed to low-density areas?

Mr. Sam Balsamo: I would suggest that the province should set parameters on what they should look for in criteria in order to differentiate them.

Mr. Arthur Potts: This bill is one of four pieces of legislation dealing with the development industry. Did you make submissions to the Crombie coordinated review? I think these issues will continue to be developed in future reports.

Mr. Sam Balsamo: I myself directly have not, but our organization has, and we'll continue to.

Mr. Arthur Potts: All right. This bill, specifically on development charges, is there to try to provide the flexibility, to incent. I get your bit about the average-cost approach. The penny has dropped about why one hectare with 40 properties on it might be more expensive than 40 properties on 40 hectares, if you're using the same—but wouldn't the municipality be the best agent for making that change, making the correction?

Mr. Sam Balsamo: It's challenging—how do I put this? The person who needs the revenue is not the one you go to to discount the revenue.

Mr. Arthur Potts: All right, fair enough.

1700

The Chair (Mr. Peter Tabuns): Okay. Thank you. To the official opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. We've been hearing quite a few presentations. There seems to be a bit of a theme running here, that somehow this legislation is the growth plan. I guess the government does play with the titles of the bill. This is actually just an amendment to the Planning Act and an amendment to the Development Charges Act. The growth plan is a totally different piece of legislation. It relates to the previous presenter who, when we were talking about using the development charges to direct growth by lowering them where you wanted the density—of course, this bill doesn't allow or doesn't provide for that to happen.

I would agree with you and I'd like, maybe, your opinion on that. If it's directly related to the cost of servicing the new growth, the building you're building, should they not be less for multi-residential? Because obviously it's not going to cost as much per unit to serve as the low-density areas. Should the development charges be balanced to actually pay for the service that they need, as opposed to an overall picture of what the developer is building?

Mr. Sam Balsamo: I'll answer that question in two parts. Number one, we understand that Bill 73 only deals with the Development Charges Act and the Planning Act but, as I suggested, these are enabling tools. The growth plan, in and of itself, in isolation, will not work unless the enabling tools allow it to. That is why you haven't seen the staggering growth in the 905 that one would have. We understand the differentiation, but the Development Charges Act and the Planning Act are tools in the tool box, no different than—I made the comment about education. It's hard to get the—

The Chair (Mr. Peter Tabuns): Mr. Balsamo, I'm sorry. We've run out of time for your presentation.

Mr. Sam Balsamo: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. I appreciate it.

ONTARIO STONE, SAND AND GRAVEL ASSOCIATION

The Chair (Mr. Peter Tabuns): Our next presenter: the Ontario Stone, Sand and Gravel Association, Mr. Scott and Ms. Bull. If you would introduce yourselves for Hansard, you have up to 15 minutes. The time that's left over will be taken up with questions from the members of the committee.

Mr. Mike Scott: Thank you, Chair and members of the committee. Good afternoon. My name is Mike Scott. I'm the manager of planning and policy for the Ontario Stone, Sand and Gravel Association. With me is Mary Bull, lawyer at Wood Bull LLP. Mary is a specialist in land use planning matters and works frequently with aggregate licensing matters. Wood Bull is a member of the Ontario Stone, Sand and Gravel Association, and Mary participates with OSSGA committees on land use planning matters. In front of you, you should have the letter that we submitted during the last commenting period. My presentation today will be a reiteration of our points submitted in that letter.

The Ontario Stone, Sand and Gravel Association is a not-for-profit association representing 280 sand, gravel and crushed stone producers and suppliers of valuable industry products and services. Collectively, our members supply the substantial majority of the 164 million tonnes of aggregate consumed, on average, annually in the province to build and maintain Ontario's infrastructure needs.

OSSGA appreciates the opportunity to provide comments on Bill 73. The proposed bill, we feel, is a positive step forward in encouraging more meaningful public participation in the planning process.

OSSGA has one concern with the proposed bill, and that is the two-year moratorium related to official plan and zoning bylaw amendments. OSSGA believes this moratorium will impact the long-term availability of aggregates and is inconsistent with the provincial policy statement, particularly policy 2.5.2.1 of the PPS which states: "As much of the mineral aggregate resources as is realistically possible shall be made available as close to markets as possible."

Unlike other land uses, most municipal official plans and zoning bylaws do not pre-designate or pre-zone for aggregate uses. Instead, they require site-specific amendments to local official plans and/or zoning bylaws to establish an aggregate use. Aggregate uses are treated differently in official plans and zoning bylaws. They are really unique circumstances in terms of planning. A requirement of the Ministry of Natural Resources and Forestry licensing process is that local official plan and zoning compliance is obtained prior to a licence being issued. This ensures that municipal concerns are addressed.

Therefore, it's neither prudent nor realistic to contemplate that site-specific aggregate amendments would be either deferred or considered as part of a general OP

review process. The process, generally, for obtaining an amendment to an OP or zoning bylaw for an aggregate licence is lengthy and very complex.

In terms of the consequences of delay, obtaining a licence under the ARA, as stated, in making an amendment to an official plan and a zoning bylaw to permit a new aggregate operation requires extensive studies, consultation, and a review by the provincial government, municipalities and other agencies, such as conservation authorities. Deferring applications for two years could result in unacceptable delays in an already lengthy process and a delay in making aggregates available, contrary to the provincial policy statement.

Including the site-specific amendments in an OP review is therefore cumbersome and unworkable for both the proponent of the site-specific amendment and the municipality trying to update its official plan. The review of OPs is not designed to facilitate the complex and lengthy time frame which an amendment for an aggregate application requires. In addition, the amendment process is focused on site-specific issues related around environmental considerations, traffic, noise and other factors, where an OP is centred generally on policy issues for a large geographic area.

OSSGA is proposing a pretty simple solution to this. We're looking for some flexibility in the bill. We're just asking that aggregate applications be exempt from the policy stating that amendments not be made in the two-year period. OSSGA understands the proposed changes in this bill; we just feel that aggregate applications fall out of the spirit of this proposed change. Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. We have about three minutes per caucus. We start first with the government.

Mr. Arthur Potts: You're going to go?

The Chair (Mr. Peter Tabuns): Ms. Mangat?

Mrs. Amrit Mangat: Thank you for your presentation. My question is, do you think that citizen engagement is important on the planning advisory committees?

Mr. Mike Scott: Sorry, could you just repeat the question?

Mrs. Amrit Mangat: Citizen engagement is important on the planning advisory committees? Citizen engagement: Is it?

Ms. Mary Bull: I don't think OSSGA takes a position on the planning advisory committees, but citizen engagement in the planning process is always a good thing.

Mrs. Amrit Mangat: How can that enhance planning decisions? Can you throw some light on that?

Ms. Mary Bull: With respect to aggregate matters, through the public participation process—I apologize for my voice—issues are often raised and addressed during that process. That's why the Aggregate Resources Act and the Planning Act already have significant requirements for input from the public.

Mrs. Amrit Mangat: So how can we increase public engagement, in your opinion?

Ms. Mary Bull: I can give you my personal opinion on that. I don't think it's necessary to do that. I think

there are plenty of opportunities for public engagement in the planning process. The issue that OSSGA is bringing today has to do with the two-year moratorium on bringing applications to amend official plans and zoning bylaws in a system where, almost without exception, official plans and zoning bylaws don't pre-designate or pre-zone those properties. So the rationale for the moratorium doesn't exist for aggregate applications.

Mrs. Amrit Mangat: Thank you.

The Chair (Mr. Peter Tabuns): Thank you. The official opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much. I just wanted to talk a little bit about the freeze on applying for amendments to an official plan and the zoning for gravel extraction. It seems to me that there are two separate processes. I would suggest that whether it's housing or whether it's extraction, if you're doing an official plan with a municipality, where the aggregate is a known fact. You would think you would immediately, in the original official plan, designate properties that have extraction possibilities as gravel extraction. Even though they're not zoned for that at the present time—they may still be farmland—it would seem that only a site-specific zoning bylaw would be required after that to make it an extraction site. Why is it you're concerned that you can't tell less than two years ahead that you might someday want to take gravel out of that area?

Ms. Mary Bull: Sir, we wish it was that lands were pre-designated in official plans for aggregate. You're correct that one knows where those aggregate sources are today. Most official plans might identify in a schedule that this is an aggregate area, but they specifically require that there is a site-specific official plan amendment if you want to extract those areas. Therefore, you have to make a site-specific application. It's never part of the comprehensive official plan process.

1710

Mr. Ernie Hardeman: In my area, it seems that all the land that has gravel extraction possibilities, or the primary ones at least, are already designated in the official plan even though the farmer who's farming it has no interest in mining it at this time. It's the zoning that's required when they want to actually get a licence for it. I'm just curious as to why the official plan couldn't designate it at least that much ahead.

Ms. Mary Bull: The official plan could do that, but they do not. As a matter of practice, municipalities do not do that. I can't think of a single one where you can go and it says, "You can put aggregate on this land without an official plan amendment." Municipalities want to have the control of understanding all of the site-specific issues—the traffic, the environment, the hydrogeology—and so they always, even if they identify it as an aggregate area, require a further site-specific official plan amendment process.

Mr. Ernie Hardeman: Okay. Thank you.

The Chair (Mr. Peter Tabuns): Mr. Hardeman, you're out of time.

We'll go to the third party. Mr. Hatfield.

Mr. Percy Hatfield: I'm just wondering whether you've had any conversations with the municipalities, either through AMO or anybody else, where they would either agree with you or disagree with you that deferring applications for two years could mean unacceptable delays in a process that's already cumbersome and unworkable.

Mr. Mike Scott: We have not had any conversations with AMO or municipalities. If I were to hazard a guess, I think municipalities want the process to be as efficient as possible. During an aggregate application, there's a lot of formal and informal negotiation, so that file could sit with a municipality for a long time and—

Mr. Percy Hatfield: As you say, if they want the process to be as efficient as possible, wouldn't it benefit municipalities to work with you on this specific item rather than put something in there that's going to be cumbersome? Wouldn't that benefit you to have that conversation?

Mr. Mike Scott: Absolutely, yes, it would. Unfortunately, we haven't had that conversation with them, but I think it would definitely benefit.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much.

CO-OPERATIVE HOUSING FEDERATION OF CANADA

The Chair (Mr. Peter Tabuns): Our next presenters, then: Co-operative Housing Federation of Canada, Brian Eng and Aaron Denhartog.

Good afternoon, Brian. You have up to 15 minutes, as you probably heard. If you'd introduce yourself for Hansard. Take it away.

Mr. Brian Eng: Thank you very much. My name is Brian Eng. I'm director-at-large of the Co-operative Housing Federation of Canada.

CHF Canada is the organized voice for affordable housing co-operatives in Canada. Our membership is composed of over 900 housing co-ops across the country, with over 250,000 members, half of which are located in Ontario.

CHF Canada and its Ontario region deliver education programs and provide services to co-ops to maintain and improve their governance and management, ensuring that they continue to be viable business enterprises and successful co-operative communities. We advocate with government on behalf of our members to maintain effective relationships, leverage funding for providing affordable housing to all income levels, and expand the stock of affordable housing in the co-operative sector. Co-operatives are a proven model of delivering affordable housing and building successful communities.

We are here today to urge the committee and ultimately the government to make changes to Bill 73, Smart Growth for Our Communities Act, 2015, that we think would make it possible for more affordable housing to be developed and for the co-operative housing sector in Ontario to expand. We're specifically recommending that the committee amend Bill 73 to add changes to the Plan-

ning Act that would allow for municipalities to implement inclusionary zoning practices.

The committee has probably already heard from a number of individuals and organizations, and will no doubt hear from more, about the value of inclusionary zoning as a way of leveraging the growth happening in our communities for more affordable housing. CHF Canada has previously advocated for inclusionary zoning in our pre-budget submission to the Standing Committee on Finance and Economic Affairs. Over the past years, we have also advocated for it in individual meetings with the Minister of Municipal Affairs and Housing, other government ministers and members of provincial Parliament from all parties.

Inclusionary zoning is a proven tool that provides affordable units throughout our communities and can be used to provide the units and other resources necessary to provide for a full range of housing needs.

Inclusionary zoning is now used in over 400 communities in the United States, including big cities that use it in urban redevelopment as well as smaller suburban communities. The goal of inclusionary zoning is to leverage the growth being experienced in the private sector to provide units that are available to eligible households at costs below market. When used in conjunction with other public policy tools such as housing benefits and supplements, inclusionary zoning can be used to provide housing at a wide range of household incomes.

The social and public policy benefits of inclusionary zoning are clear. Mixed-income neighbourhoods add to the vibrancy of the social fabric of our communities. People have the opportunity to live and work in the same neighbourhoods, reducing the environmental and social stress of commuting and resulting in increased social integration in all neighbourhoods.

Studies have shown that there is little or no impact of well-designed inclusionary zoning on development outcomes. There's no additional cost that is passed on to those households acquiring market units. Development does not stop. It appears that developers continue to be profit-making businesses. They adapt to new public policy obligations as they always have in the past, and smart municipalities work hard with developers to make sure that there are fair and equitable cost offsets to ensure the continued viability of private sector development.

In exchange, significant increases in the amount of affordable housing can be achieved. Jennifer Keesmaat, chief planner for the city of Toronto, estimates that even a modest inclusionary zoning program in that city would produce 1,000 to 1,500 units of affordable housing per year. Currently, other programs are producing less than half of that in most years and often next to nothing.

It is true that there is a commitment from the new federal government for funding programs to meet housing needs. However, it is also clear that, at least for the foreseeable future, this funding needs to be prioritized towards the social housing stock for development and redevelopment, as well as to providing income and other supports for low-income households to access adequate

housing. There will continue to be a gap in providing affordable housing to middle-income families that are priced out of the new housing market and even the resale and rental market in larger urban centres.

The Co-operative Housing Federation of Canada is particularly interested in seeing inclusionary zoning implemented because we believe, based on the American model, that it has the capacity to increase the supply of affordable rental housing by developing programs that allow the non-profit rental sector to become the owners and operators of the affordable units. It is not uncommon in the US to see IZ programs stipulate that a certain portion of the units developed must be offered to the non-profit sector.

We've seen a very small number of units developed using existing programs like section 37 and the Affordable Housing Initiative, but the limitations of these types of programs have become abundantly clear, and the municipalities and the non-profit sector need new tools in order to make a more significant impact. We look forward to working with municipalities to develop similar programs and anticipate a modest growth in the co-operative housing sector.

In conclusion, we would like to reiterate that we believe that any legislation moving forward that is dealing with issues of growth must be more explicit about the responsibilities of government in making sure that affordable housing is created and providing the full range of tools necessary to make this happen. Inclusionary zoning is an important tool that municipalities need to increase the supply of affordable housing and have a positive and lasting impact in our communities. We urge the committee and government to amend Bill 73 to provide those powers to the municipalities. Thank you very much for your time.

The Chair (Mr. Peter Tabuns): Thank you very much. Members of the committee, it's about two and a half minutes per caucus. We'll start with the official opposition: Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. I think that inclusionary zoning makes a lot of sense in most of the province, but I just want to get to the Toronto presentation that we got. When they were talking about how the average home price was around \$1 million in some areas, how do you get a portion of that development to affordable rent without increasing the cost of the other units within the development? Somebody has to pick up the tab. One can say that the developer will take a lower profit margin, but they already competitively have a right to take that lower profit margin today, or the ability to do that, but the marketplace seems to say that that's how much those houses are worth.

Mr. Brian Eng: Right.

1720

Mr. Ernie Hardeman: It makes them less and less affordable to the people who need them, but they do it anyway. Wouldn't that automatically happen too? If you had an inclusionary zoning market or lower rent, it would just automatically increase housing prices in Toronto for the

people who today can afford them but would no longer be able to afford them?

Mr. Brian Eng: It certainly doesn't seem to be the case in the programs in the United States. The model uses a set of cost offsets—density bonusing, reduced development charges and fast-tracking—in order to make sure that the development industry still retains the capacity to be a viable business. We're not asking them to offer all of their units at an affordable rate, but we're saying that there would be an obligation to provide a percentage of the units. In the United States, 10% to 15% is common.

As I say, the Furman Center for Real Estate in New York did a study of the San Francisco program over the course of about 10 years and found that there was no significant increase in the market housing charges that they could attribute to inclusionary zoning; there was no drop in the number of units that were developed. Certainly in the mature programs in the United States, they seemed to have worked this out, and I think we have a lot to learn.

The Chair (Mr. Peter Tabuns): Mr. Eng, I'm sorry to say you've run out of time with the opposition. Mr. Hatfield?

Mr. Percy Hatfield: Thank you, Mr. Chair. Welcome, Mr. Eng. Thank you for coming in. You're a director of an organization with 900 housing co-ops across the country. When you talk about inclusionary zoning to your counterparts on the board and so on, what do they say across the rest of the country?

Mr. Brian Eng: I think that in any of the areas of the country that are experiencing the kind of growth that we are, particularly in the Golden Horseshoe area, which is where the bulk of our co-ops in Ontario are—in BC, in Montreal and even to a certain extent in Halifax, wherever there's growth, they see the value of inclusionary zoning as a tool to expand the stock of affordable housing and potentially to expand the stock of co-operative housing.

Mr. Percy Hatfield: And have they adopted that tool?

Mr. Brian Eng: The only place where there is a provincial policy in place is in Manitoba. Vancouver has a sort of inclusionary zoning program that created some additional land banking, and there is now a new co-operative being developed on that land in partnership with Vancity credit union and the BC Non-Profit Housing Association. There are some small advances being made in other parts of the country.

Mr. Percy Hatfield: How widespread do you think it would be in Ontario if municipalities had that option at their disposal?

Mr. Brian Eng: I've heard that up to 40 municipalities in Ontario have expressed interest in this in one way or another, either through resolutions of their council or letters that were provided in support of bills that have been passed. It's certainly something that any municipality that's experiencing growth—I know, for instance, that at one point the town of Milton expressed interest because of their huge greenfield growth and the fact that virtually none of it is affordable, and being able to do this does make some sense.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. Government? Mr. Potts.

Mr. Arthur Potts: Thank you, Mr. Eng, for coming here today. I'm a great believer in how the Co-operative Housing Federation and co-operative housing can help contribute to alleviating affordable housing crisis issues in Canada.

In my previous life, I worked a lot with Riverdale Co-operative; my daughter lived in the Broadview co-operative with her mother and family. I appreciate you coming down here and advocating on the inclusionary housing piece.

This bill is probably not the right place for it. We do have a whole affordable housing strategy. Have you had a chance to have engagement in that process?

Mr. Brian Eng: Yes. We've also made submissions to the original affordable housing strategy in support of inclusionary zoning and to the updates. Our material will also support inclusionary zoning.

Mr. Arthur Potts: I think it's very important. I hesitate to figure out how the Chair would rule, but if an amendment were to come forward for inclusionary housing, this bill—my guess is it's out of order. There's nothing in the bill specifically that you could address or attach it to at this time, but your comments are very well placed and I hope they'll find carriage at another time in the next piece of the puzzle.

Thank you for being here.

The Chair (Mr. Peter Tabuns): Okay. Thank you very much.

ACORN CANADA

The Chair (Mr. Peter Tabuns): Our next presenters are ACORN Canada: John Anderson and Alejandra Ruiz Vargas. Please have a seat and introduce yourselves for Hansard. You have up to 15 minutes.

Ms. Alejandra Ruiz Vargas: Hi, everybody. How are you today? I really appreciate the time and the opportunity to be here. I know this is Bill 73 that we are doing the deputation on today. I'm going to tell you why I say that later. Thank you and I'm going to start.

I'm here representing ACORN. My name is Alejandra and I'm going to speak about the important issue of inclusionary zoning. ACORN is a group of working people who are fighting for social change. We need inclusionary zoning included in Bill 73 because there is a housing crisis in Ontario, and because Torontonians need hope. We need dignity and we want to stop this stratification.

As you know, stratification allows neighbourhoods to become like ghettos. In this moment we are seeing a little bit of that. I was in a meeting maybe two weeks ago, and they spoke—one of the professors at U of T did research. They are showing how Toronto is going there in 2025. They showed a big ghetto of low-income people and a small area of high-income people, with the middle class almost gone. We should worry about that, because it's

happening. It's not a fable. It's something that is happening right now.

I work in the housing sector. Quite often I have to house people. Certainly my clients are on Ontario Works and on Ontario Disability Support Program. Maybe people don't see that inclusionary zoning will help this type of population, but I think this will have endless possibilities. I work as a housing worker, and my agency can't even put one of these persons in touch with some buildings—and you know they are managed. There are possibilities. There are auctions with inclusionary zoning. The population that this will impact will be people like myself: working Torontonians. I make \$48,000 a year, but I'm not able to buy a home. Other people who are my friends or people who are members of ACORN never will be able to afford a home in Toronto. We work in Toronto, but we are not able to live in Toronto? This is my question.

There are other populations that are people who have been able to have a mortgage, but they are poor. They are mortgage-poor. If they even buy a chocolate bar—they're not able because they will be out of their budget. This would be a solution for these types of populations. It's about 60% of Torontonians that I've described right now.

We in ACORN have been doing this campaign since December 2014, but when we heard from the Liberals in January 2015 that they're going to add inclusionary zoning to one bill, we were so excited. We said, "Finally, they get it." But then, the bill vanished. Now, with Bill 73, there is an opportunity to add inclusionary zoning and give relief to people because we need to wake up, thinking there is help out there; because when you wake up and you know all your money is going to rent, it is really difficult to wake up in the mornings.

1730

My last statement: Until we treat the housing crisis as a hurricane, as a natural disaster, as a catastrophe, we are not going to get anywhere. So please, I encourage the government, the Liberals, to add inclusionary zoning in Bill 73. Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much. We go to questions from the committee. We have three minutes per caucus.

Mr. Hatfield, third party, you're first.

Mr. Percy Hatfield: Welcome. It's nice to see you again. Thank you for advocating for affordable housing in Ontario and for that matter, I guess, across the country.

You mentioned that we have an affordable housing crisis in Ontario. Most of the media attention that we get in the bubble at Queen's Park is about Toronto, so sometimes we concentrate on Toronto more so than the rest of the province, but that's understandable since the housing crisis in Toronto is far worse than the rest of province.

From your perspective—I know it's only one tool in the tool box, inclusionary zoning—what else could this government be doing to put other tools out there to fight the crisis in affordable housing in Ontario?

Ms. Alejandra Ruiz Vargas: In my perspective, we need to first of all not allow landlords to put high rents. If you're paying \$1,000 for a place, it should be looking

like a palace, shouldn't it? What I see is that people come up with the money, but they do not receive the service. I think I got off-topic, sorry. Sorry, this is from my work.

For affordable housing, we should start to build, too. That idea that I heard from people is tiny houses; that you don't need to use too much space and you can build a decent house with little space and not too expensive. To lower the costs, like Habitat for Humanity does, for example, they pool people and they build with donations and they build with human power, people who want to volunteer.

But being honest, we need money, of course. I heard this comment two weeks ago about what happened in BC when they had a natural catastrophe. They spent \$6 billion helping 75,000 people to have housing. We have the money. I don't know how you can pull it together, but we have the money. When a catastrophe happens—

The Chair (Mr. Peter Tabuns): Ms. Vargas, I'm sorry. You've run out of time with Mr. Hatfield.

We go to the government: Ms. Mangat.

Mrs. Amrit Mangat: Thank you for your presentation, ma'am. I understand that inclusionary zoning is very important. It creates just and stable communities, as you said. But having said that, I'm sure that your organization, ACORN, is aware that our government has announced the Long-Term Affordable Housing Strategy. During the consultations, your group must have submitted submissions. Have they submitted their submissions about inclusionary zoning?

Ms. Alejandra Ruiz Vargas: Can you repeat the last part, sorry?

Mrs. Amrit Mangat: Our government has announced the Long-Term Affordable Housing Strategy. During the consultations, I'm sure your group had submitted their submissions about inclusionary zoning. Have they submitted?

Ms. Alejandra Ruiz Vargas: Yes.

Mrs. Amrit Mangat: Okay. Thank you.

The Chair (Mr. Peter Tabuns): Other questions? No? Okay. Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. It's much appreciated.

We've heard a lot during the presentations about inclusionary zoning to solve the housing problem. I had the privilege of being critic for the Ministry of Housing, and I know there are 168,000 people in Ontario waiting for supportive housing of some kind or for support in providing housing for them.

As you mentioned, the biggest problem we have with the need for housing is in Toronto. I just have trouble understanding, or even believing that in fact, with inclusionary zoning, we can bring the value down enough for any of that housing to become housing that can be afforded by the people whom we're talking about who need the housing.

I think it was mentioned by one of my colleagues the last day we met that, yes, of course, at some point somebody is going to have to help support the rent that it's going to take to live in that housing. I totally agree with

that. I just don't think in Toronto the answer is inclusionary zoning; yet, in other parts of the province, it may very well be. When the price of housing is considerably lower you don't have to bring it down a lot, so you can do that with density or with other benefits to the developer and they can build housing.

We have public housing now where it's partly subsidized or it's supported housing. So it seems to me that we've got to do other things. I think the issue of the housing panel report was mentioned by Mr. Potts: that that we need to deal with how we're going to provide that housing. I just don't believe that this is the venue to do that because I don't believe that where we really have the need, that that part would be—I just can't imagine anyone increasing the density enough in Toronto to make up for the difference in the price of what you can afford to pay on low income to what people are presently paying for housing.

But we do thank you very much for coming in and presenting to us—

Ms. Alejandra Ruiz Vargas: And I can comment to that or no?

Mr. Ernie Hardeman: Oh, you can add as much as you'd like as long as my time doesn't run out.

Ms. Alejandra Ruiz Vargas: Okay.

The Chair (Mr. Peter Tabuns): You've got 30 seconds.

Ms. Alejandra Ruiz Vargas: Oh, 30 seconds? Okay. The inclusionary zoning, as you say, is one thing. But we need to start with something, because when we're going to start with something, we are thinking, thinking and thinking, planning, planning and planning and speaking and speaking—but when are we going to really do something? So I start with this, and if something goes wrong—I don't know. I don't think it will go wrong because we saw this in New York. We are people. They are only born in the USA. I wasn't born here, but we are Canadians. It worked with them, with their people. It has to work here—that we are people. Because at the end we need to supply the affordable housing and this is a good tool. Anyway, the developers never give the city anything—

The Chair (Mr. Peter Tabuns): Ms. Vargas, I'm sorry to say, you've used your time.

Ms. Alejandra Ruiz Vargas: I'm sorry. Okay. Anyway, thank you.

The Chair (Mr. Peter Tabuns): Thank you very much for your presentation.

ONTARIO FEDERATION OF AGRICULTURE

The Chair (Mr. Peter Tabuns): The last presentation, then, is the Ontario Federation of Agriculture. Gentlemen, you have up to 15 minutes to make your presentation. If you would introduce yourselves for Hansard, then you can take it away.

Mr. Mark Reusser: My name is Mark Reusser.

Mr. Peter Jeffery: My name is Peter Jeffery. I'm a policy researcher.

Mr. Ben LeFort: Ben LeFort, also a policy researcher.

Mr. Mark Reusser: Good afternoon, ladies and gentlemen. My name is Mark Reusser. I'm a farmer from Waterloo region, and I'm a director with the Ontario Federation of Agriculture. You should have been distributed our presentation. I will go through an abbreviated form of it.

We appreciate the opportunity to make this presentation today. Bill 73, the Smart Growth for Our Communities Act, 2015, proposes a number of changes that will impact Ontario's farming industry. I will begin with comments on the amendments to the Planning Act.

OFA supports amending subsection 3(10) of the Planning Act to extend the review period for policy statements such as the provincial policy statement, the PPS, to 10 years after the policy comes into effect. This change aligns these reviews with reviews of the greenbelt, the Oak Ridges moraine and the Niagara Escarpment plans.

However, given that the most recent provincial policy statement review took nine years to complete, OFA is concerned that the review process could take years to finalize. Therefore, we recommend that the Ministry of Municipal Affairs and Housing ensure that each review be limited in duration.

Amendments to subsection 8(1) make it mandatory for the upper-tier and single-tier municipalities to have a local planning advisory committee. OFA supports this change, with the added provision that at least one member of this committee be an active farmer where agriculture is a significant land use in the municipality.

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OFA supports amending section 16 to require municipalities to publicly consult in a prescribed way on the official plan amendments and revisions, zoning bylaws, plans of subdivision and consents or severances.

OFA also supports the amendments to section 24.2, section 24.5 and section 26, placing new official plans and zoning bylaws on a 10-year review cycle. OFA supports bringing more rigour to the appeals process, as allowed in section 17, with the caveat that the Ministry of Municipal Affairs and Housing will need to provide potential appellants with guidance on enunciating how a decision is inconsistent with, fails to conform with or conflicts with a provincial plan or the official plan.

The proposed amendments to section 45 on minor variances would require the proposed variance to conform to prescribed criteria. Developing criteria to guide applications, municipal decision-makers and the OMB on what constitutes "minor" in a variance application is long overdue. OFA looks forward to working with MMAH and other stakeholders on this development.

OFA also wishes to take this opportunity to advance an additional issue. From time to time, we see municipal councils and/or committees of adjustment grant severances that are contrary to the provincial policy statement, the local official plan or both. Local citizens can't be expected to know the content of the PPS, a regional land use plan and the official plan, nor expected to be the

watchdog for the municipality. Ontario needs a better way to deal with these situations.

Relying on appeals to the OMB is inadequate. Perhaps the Ministry of Municipal Affairs and Housing should develop a decision-tree system to screen out applications that run contrary to the provincial policy statement or the local official plan. Any application that is deemed contrary is denied summarily and not brought to council and/or committee of adjustment.

With regard to the proposed changes to the Development Charges Act, OFA has only one recommendation: that an amendment be made to provide a statutory exemption to farm structures from all development charges. The majority of municipalities in agricultural areas have already chosen—for good reason—to exempt farm buildings from development charges. A statutory exemption for farm buildings will remove endless debate on a competitive disadvantage for farmers who live in a municipality without an exemption.

OFA is pleased that the Ministry of Municipal Affairs and Housing has acknowledged the need to protect agricultural land in its provincial policy statement. Providing a statutory exemption for farm structures from development charges removes financial disincentives to keeping land in production.

OFA appreciates the opportunity to address these issues with the committee today. I just want to reiterate three of our asks. They are:

We need a better definition of what constitutes a “minor” variance. What does “minor” really mean? Municipalities need help in this regard.

Secondly, development or any other application that contravenes a provincial act such as the PPS should not even come to municipal councils; they should be summarily kicked up somewhere else. Municipalities don’t have the time or the knowledge to deal with provincial acts. That’s the responsibility of the province.

And finally, farm buildings need to be exempted from development charges. I will use the argument that we use out in the countryside, and that is, chickens don’t read library books and pigs don’t play hockey.

Laughter.

Mr. Mark Reusser: Therefore, development charges should not be charged for farm buildings.

Thank you very much. We’re glad to accept questions.

The Chair (Mr. Peter Tabuns): We have about two minutes per caucus and we’ll start with the government. Mr. Potts.

Mr. Arthur Potts: Thank you, Mark and guys. I don’t know where to go with that. That’s just too funny to start with. But I get it.

I want to focus on a piece of your submission. Most of this surrounds farmland protection, and I’m delighted to see this, particularly the piece where you talk about getting a farmer on a local municipal planning board where agricultural lands are significant. How would we describe “significant” here? Is it a percentage? How are we going to narrow that down a little?

Mr. Mark Reusser: Perhaps the first criteria is that they be a legitimate farmer, and that they be a member of a recognized general farm organization. That would be a start.

Mr. Arthur Potts: I don’t qualify.

Mr. Ernie Hardeman: Here, here.

Laughter.

Mr. Mark Reusser: I’m sorry. Do my staff have anything to add to that?

Mr. Peter Jeffery: No. Defining what would be—

Mr. Arthur Potts: Municipalities could have so much land base. Maybe you even want to talk about what percentage of the land base is zoned agricultural. A percentage of zoned agricultural within a municipality is I think where we would go with this.

Mr. Peter Jeffery: I think that might be the most appropriate way. Pick a reasonable threshold where the majority of the land is—

Mr. Arthur Potts: Now, we know Mr. Currie is involved with our review on the board with the Crombie panel. We’re delighted to have his participation there as we do the whole coordinated land planning. I know these points are being made very strongly at that level and will be coming forward most certainly in future discussions.

Go ahead. You have something to comment on that?

Mr. Mark Reusser: No. Again, I’ll just say we do appreciate the fact that the government is now recognizing that farmland needs protecting. We’re beginning to see this in proposed legislation and we’re grateful for that and think that it’s a great idea.

Mr. Arthur Potts: Your comments about severances and how we can maintain—so police the opportunity, because I’m assuming that’s true; also what’s coming from protection of farmland so we’re not severing prime agricultural land for development purposes.

Mr. Mark Reusser: The government has laid out in the PPS when severances can occur and when they can’t. Unfortunately, sometimes things slip through.

A provincial act has mandated that this is what it is. It’s unfair to ask municipalities to spend time and effort defending something that should be defended by the province itself. These are provincial acts. Some municipalities are simply incapable because of a lack of money to spend time going to the OMB, hiring lawyers and so on. It should be the responsibility of the province to do that.

Mr. Arthur Potts: Thanks for bringing these points.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Potts. Mr. Hardeman.

Mr. Ernie Hardeman: Thank you very much for your presentation. I just want to go back to the policing of the provincial policy statement, shall we say. I’ve had considerable time on municipal council, on land division committees and so forth. I found that most of the time, the challenge was the agriculture representatives on the land division, and there were generally more agriculturists than there were city people because most of the severances were in the rural area. They did from time to time—in fact, I even saw when the urban people on the county council

took it to the Ontario Municipal Board because land division granted one against the policy statement.

Who would agree, other than the Federation of Agriculture, with making the province responsible for overseeing the working of their land division committee?

Mr. Mark Reusser: I don't think that is what we're recommending. We're simply saying that when there is a provincial law, it really shouldn't be up to the municipality to defend that law. The municipality should simply say to the applicant, "That does not conform with the PPS. We will not consider it."

Mr. Ernie Hardeman: Well, that's the way it is now. They're supposed to do that. But who wants us to police that? I mean, every one where it happened, the municipality said yes.

Mr. Mark Reusser: Unfortunately, yes.

Mr. Ernie Hardeman: So there's no other place to appeal that than the Ontario Municipal Board.

The other one I wanted to touch quickly on is the appointment of an agriculturalist on the advisory committee. My position is that in Oxford's case and a lot of other rural communities, the committee is redundant and doesn't work, because if it's a five-member advisory committee, four of those are going to be elected officials and they're going to do what they want when they go back. The advice is going to be irrelevant. It just creates more red tape.

I would agree that if we're going to have it and we're going to appoint one person rural, it should be a farmer, but I still think that unless we find a better way of making it work in Oxford and most of rural Ontario, that system isn't going to work.

The Chair (Mr. Peter Tabuns): Mr. Hardeman, I'm sorry to say you've run out of time.

Mr. Hatfield.

Mr. Percy Hatfield: Mark, guys, welcome. The beauty about being a member of provincial Parliament and being on this committee is that you're always learning something new. I didn't know until today, for example, that a majority of municipalities in agricultural areas have already chosen to exempt farm buildings from development charges. Is there a percentage that we can point to?

Mr. Ben LeFort: Yes. Approximately 60% of municipalities that have a development charge bylaw currently provide an exemption for agriculture.

Mr. Percy Hatfield: The reason for that, I take it, is that if I put a farm building on my farm, I'm not generating growth. It's new infrastructure but in no way is it generating growth in my community.

Mr. Ben LeFort: That's right. Our position has always been that farm residences should be treated like another residence. However, farm structures are not creating that capital growth and therefore should not be subject to development charges. Otherwise, we're extracting more than that farmer's fair share for his contribution to the capital expenditures in a municipality.

Mr. Percy Hatfield: And when we talk about growth and smart growth, how important should it be for us to recognize the evaporation, if you will, of farmland in Ontario?

Mr. Mark Reusser: I'll answer that. It's approximately 350 acres per day, every single day, in Ontario. Ontario's arable land constitutes only 5% of the land area of the province. If we want to continue to have land that produces food for our citizens, we need to protect that land. Simple as that. You can't farm rocks up in northern Ontario.

Mr. Percy Hatfield: I get that. Some 350 acres a day—again, one of these learning things. I didn't know that. You probably knew that.

Interjection.

Mr. Percy Hatfield: But if we're losing 350 acres a day of arable farmland—I mean, obviously not sustainable—how do we stop it?

Mr. Mark Reusser: It takes a strong government to stop it and laws that are enforced, and, I think, acknowledgement by the citizens of Ontario that farmland is a non-renewable natural resource and needs to be treated as such.

Mr. Percy Hatfield: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much for your presentation today.

Members of the committee, I have a question for you. I think you've been polled on this. As agreed to by the committee, the deadline for the research officer to prepare a summary is at 4 p.m. this Thursday, November 12. I've been advised that he can prepare the summary for last week's meetings but not for today's by that date. Are members in agreement to receive a summary of today's presentations by Monday, November 16 at 4 p.m.? And I have to say that's also dependent on Hansard being available in time. The committee is agreeable?

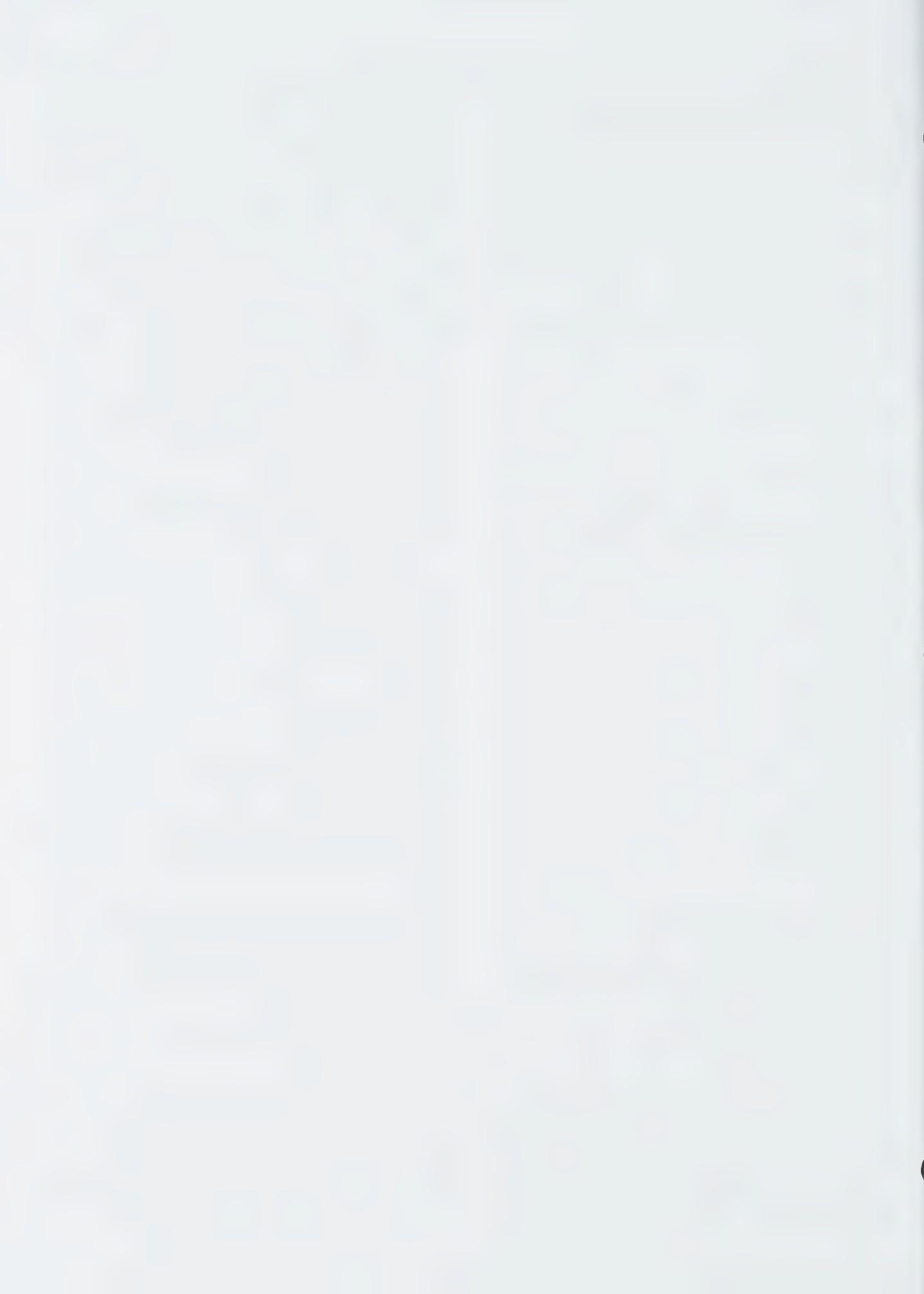
Mr. Ernie Hardeman: I understand there's no other choice.

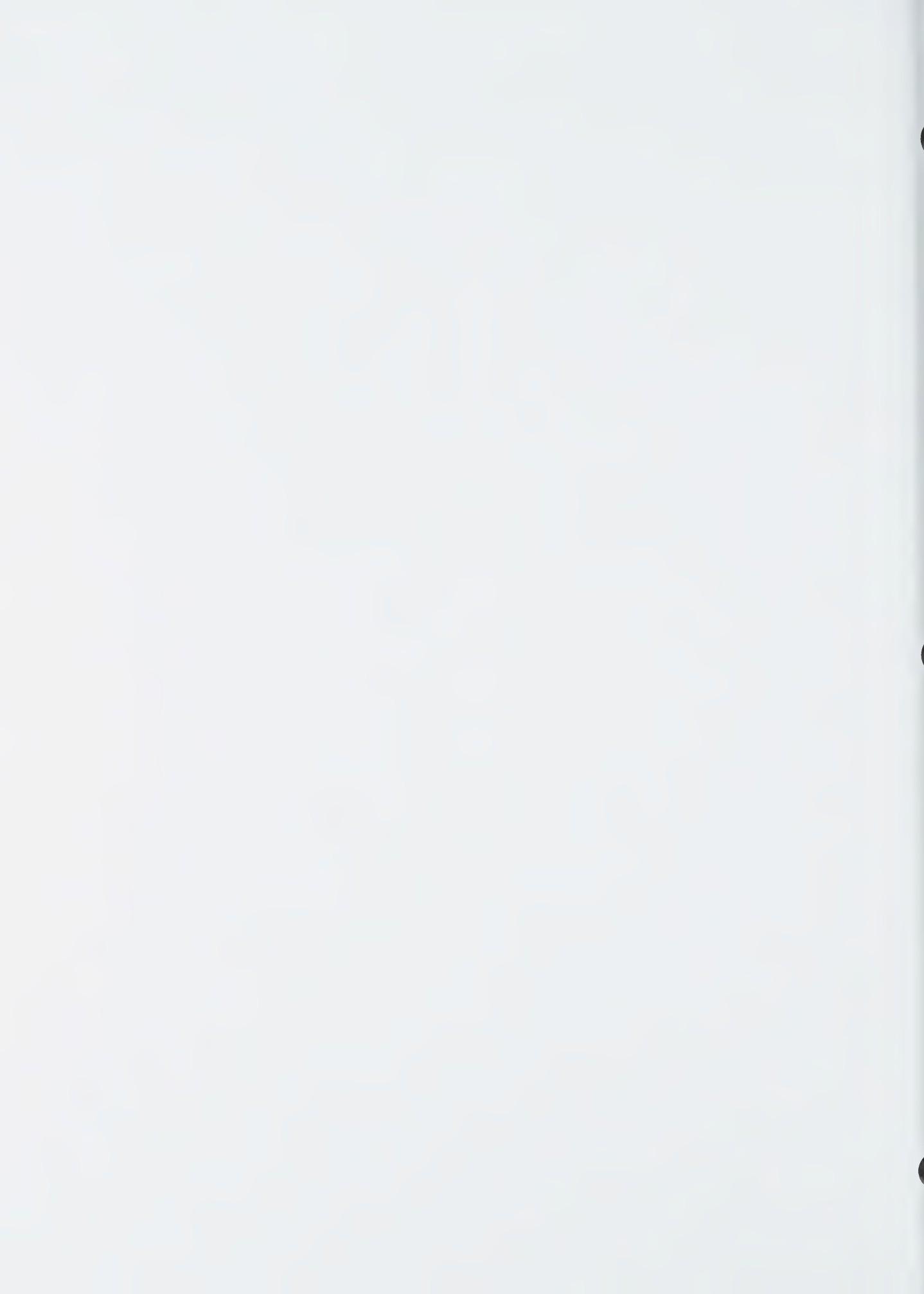
The Chair (Mr. Peter Tabuns): Well put, sir.

A reminder, then, that the deadline to file amendments to Bill 73 with the committee Clerk is at 10 a.m. on Thursday, November 12, 2015, as agreed by the committee.

The committee is adjourned until 2 p.m. on Monday, November 16, 2015.

The committee adjourned at 1753.





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